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1955

STATE LEGISLATION

AFFECTING

THE REA PROGRAM

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UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification Administration

1955 STATE LEGISLATION AFFECTING THE REA PROGRAMS

1955 Legislative Sessions. The legislatures of 45 States and the Territory of Alaska met in regular session in 1955. In 9 of these States and in Alaska, special sessions were convened in addition to the regular session. Of the three States which did not hold regular sessions -- Kentucky, Mississippi and Virginia -- the latter two held special sessions. Kentucky alone had no legislative session in 1955. As of the date of preparation of this report the legislatures of three States -- Delaware, New Jersey and Pennsylvania -- had not adjourned. There is, of course, a possibility that additional special sessions may be convened before the close of the year.

Scope of State Reports. The State reports summarize the legislative programs of borrowers insofar as they were made known to REA in response to inquiries made of their State organizations just prior to the convening of the 1955 sessions. During the sessions, all available sources were utilized to identify, out of more than 70,000 bills which were introduced, those dealing directly or indirectly with the REA programs. Copies of practically all bills so identified were obtained and analyzed, and their final disposition determined and recorded. The reports include all such bills classified according to whether they dealt with electrification or telephone or both, describe them briefly and indicate their disposition.

The reports are not intended as a definitive presentation of all relevant State legislation which was considered in 1955. They serve rather as notice of legislative developments in the fields covered. The bills themselves, particularly those which were enacted, should be examined to determine their effect upon borrowers' programs and activities.

Highlights. The following are the highlights of the 1955 legislative developments which concern the REA programs and borrowers.

(A) Electrification

Amendment of Electrification Borrowers' Enabling Acts. In nine States, amendments were proposed of laws governing the organization and operation of electrification borrowers. Arkansas amended its Electric Cooperative Corporation Act to clarify the cooperatives' power to own and operate generation and transmission facilities and interchange surplus energy, and to authorize continued cooperative service in areas which lose their rural status together with a requirement that facilities in such areas be disposed of where the areas are annexed to or incorporated in cities or towns served by regulated public utilities. In Florida and Oklahoma bills to permit continuation of cooperative service in areas which lose their rural status failed. Similar legislation in South Carolina was carried over to the 1956 session. In New Mexico a bill amending the Rural Electric Cooperative Act, to increase

from 5000 to 7500 the population limit for rural areas as defined in the Act, was pocket vetoed. The Vermont Electric Cooperative Act was amended to empower electric cooperatives to condemn property required for service to the public. Oklahoma amended its Rural Electric Cooperative Act to provide three year staggered terms for trustees. North Dakota amended its Electric Cooperative Corporation Act to provide for the election of directors by districts and to fix the vote required for amendment of bylaws by members. Another North Dakota bill which would have provided for amendment of bylaws by members alone and not by directors, permitted mail voting, and repealed the provisions dealing with the change of location of principal office, failed. A proposed amendment of the Alabama Electric Cooperative Act to authorize trustees without a membership vote to dispose of cooperative property to public bodies was opposed by the electric cooperatives and failed. Nebraska enacted numerous amendments of its Public Power and Irrigation District Act facilitating the consolidation and reorganization of districts.

Anti-Duplication Legislation. Wisconsin enacted a bill prohibiting public utilities and cooperatives from extending electric service to persons already being served or who had service available through a secondary voltage (600 volts or less) drop and empowering the Public Service Commission to enforce its provisions. A Florida bill prohibiting the duplication of service furnished by electric cooperatives and an Oklahoma measure barring municipal utilities from serving persons already receiving service failed of enactment.

Commission Regulation. Iowa and Minnesota proposals for the regulation of electric utilities by a State agency with provisions for exemption of electric cooperatives and municipal utilities failed. In Alabama and Illinois bills which would have subjected electric cooperatives to commission regulation were introduced but did not pass. Arizona, Delaware, Nevada and Tennessee proposals to bring certain municipalities and other public agencies furnishing electric service within the jurisdiction of the State utility regulatory bodies failed.

Electrical Licensing and Inspection. Ten States, Delaware, Michigan, Montana, Nevada, New Hampshire, Oklahoma, Utah, Washington, Wisconsin and Wyoming, considered but did not adopt general legislation dealing with licensing of electricians and electrical contractors, prescribing installation standards, requiring permits for electrical installations, and providing for the inspection thereof. Idaho adopted the 1953 NEC as the ~~standard for electrical installations~~.

Construction Standards. Wyoming and Colorado became the fourth and fifth States to adopt bills liberalizing ground clearance requirements for electric distribution lines. Such legislation had previously been enacted in 1951 in Arizona, Montana and South Dakota. Washington considered but failed to adopt a proposal to repeal its 1913 law establishing standards for electrical construction.

Taxation. A Wyoming bill to continue the exemption of rural electric cooperatives for an additional period of two years from February 12, 1955 failed of enactment as did an Ohio bill to exempt sales of electric energy by rural

electric companies from the sales tax. Alabama and Mississippi rejected bills to repeal sales tax exemption of electric cooperatives. Oregon turned down a proposal to repeal the 2% gross earnings tax paid by electric cooperatives in lieu of all other taxes. Pennsylvania has under consideration a bill to repeal the exemption of electric cooperatives from all State taxes upon payment of a fee of \$10 per 100 members. In Alabama, Iowa and West Virginia bills to impose sales taxes on sales of electricity did not pass. A Washington proposal to triple the taxes on public utility districts failed.

Atomic Energy. Four New England States, Connecticut, Maine, New Hampshire and Rhode Island enacted legislation coordinating development and regulatory activities relating to the peaceful uses of atomic energy. This legislation grew out of the conference of governors held on February 8, 1954 which established a committee on atomic energy. Illinois provided for the creation of an Atomic Power Investigating Committee. Florida authorized the University of Florida to acquire and operate an atomic research project. Nevada memorialized the Congress to expedite development in this field. Pennsylvania had pending a resolution to create a joint legislative commission to study problems relating to the development, use and control of atomic energy.

Miscellaneous. Florida and Wisconsin adopted resolutions noting REA's 20th anniversary. New Hampshire and Vermont designated their respective public utility commissions as agencies to procure power from the New York State Power Authority and market it. Maine repealed its 1909 Fernald Law prohibiting the export of hydropower. Minnesota considered but failed to enact a Consumers Power District law. New Mexico authorized municipal utilities to contract for the operation of cooperative electric systems.

(B) Electrification and Telephone

Amendment of Cooperative Enabling Acts. Colorado, Minnesota, Ohio and Wisconsin and the Territory of Alaska amended the acts under which electrification and telephone cooperatives are organized and operate.

Anti-Duplication Legislation. Alaska bills prohibiting duplication of facilities and service failed to pass.

Commission Regulation. Iowa and Texas again rejected proposals to establish State regulatory commissions with jurisdiction over electric and telephone utilities, including cooperatives. The Nebraska legislature refused to extend the jurisdiction of the Railway Commission to cover all public utilities. In New Mexico a bill transferring jurisdiction over electric and telephone utilities, from the Public Service Commission to the Corporation Commission, but continuing the exemption of rural electric cooperatives, was enacted but failed to take effect due to the rejection of a companion Constitutional amendment at the September 1955 election. A Delaware bill to abolish the Public Service Commission did not pass. Alaska exempted REA-financed electric and telephone associations from the requirement of filing annual statement with the city councils but rejected a bill which would have relieved such organizations from regulation of rates and charges by city councils.

Relocation of Utility Lines - Compensation. Illinois authorized agreements between the State and public utilities relative to relocation of facilities required in connection with highway work. Ohio considered but did not enact bills providing compensation for damage to property occasioned by highway repair or relocation.

Taxation. Illinois authorized a municipal tax of not exceeding 5% on utility gross receipts from business within the corporate limits. A similar measure in Ohio failed. Michigan increased its business receipts tax on receipts of public utilities from 1 mill to 1½ mills. Mississippi increased from 2% to 3% its sales tax on gross income from electric and telephone service but exempted sales of property and service to rural electric associations for use in their systems. Iowa, Nebraska, Oregon and Texas rejected proposals to impose additional tax burdens on utility service. Several Pennsylvania bills to subject to taxation real estate of public service companies, except transmission lines and rights of way, were pending.

Miscellaneous. Maine repealed its statutory requirement that certificates of organization show the general routes of telephone lines to be constructed, and the cities and towns to be served by electric companies. Alaska eliminated the requirement that affidavits of good faith be furnished in connection with chattel mortgages securing REA loans and provided for inclusion of after-acquired property under the lien. Alaska also excluded REA-financed property from the eminent domain power of first class cities.

(C) Telephone

Amendment of Telephone Cooperative Enabling Acts. Four States amended these acts in various respects. Indiana subjected its rural telephone cooperatives to the same penalties as other telephone companies for infringement of territory. North Dakota provided for the election of directors by geographical districts and changed the voting requirement for amendment of bylaws by members. Oklahoma revised the definition of "rural area" in its Rural Telephone Cooperative Act by increasing the population limit from 1500 to 1625. Montana amended its cooperative associations act relative to articles of incorporation and amendments thereof, officers, directors, election of directors by district, and assignment of stock.

Taxation. South Dakota made provision for a 2% gross receipts tax on rural telephone companies in lieu of personal property taxes. North Carolina adopted a levy of an annual license fee on telephone cooperatives in lieu of all other license taxes. Tennessee exempted from the sales tax all sales of personal property to telephone cooperatives. Maine changed the base of its excise tax on telephone companies and increased the maximum rate from 6% to 7%. Minnesota considered but did not enact bills which would have shifted taxation of telephone companies from gross earnings to an advalorem basis, raised the tax on gross earnings from 4% to 7%, and authorized local government units to impose

a tax of not more than 2% on local service. Alabama rejected a proposal authorizing municipalities to impose an excise tax of not more than 3% on local exchange service. A Mississippi bill levying a 10% tax on toll calls originating within the State failed as did a Texas measure levying a tax of 50¢ per pole located on highway rights of way.

Party Lines - Emergency Calls. ^{Seventeen}~~Sixteen~~ States had under consideration bills making it a misdemeanor to refuse to yield a party line for an emergency call. Most of these bills included a provision requiring the printing of a notice or warning of the law in telephone directories. Twelve States, Arizona, Arkansas, Indiana, Massachusetts, Minnesota, New Hampshire, North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee and Vermont, enacted the legislation. ^{California} Colorado, Kansas and Maryland did not pass it and it was still under consideration in New Jersey.

Miscellaneous. Wisconsin authorized REA-financed telephone cooperatives to require patrons to deposit membership fees or other equity payments subject to commission approval. South Dakota empowered municipal telephone systems to contract with rural line owners for operation, maintenance and switching service. Indiana enacted a bill permitting telephone companies with less than 5000 subscribers to mortgage their property by a vote of the directors to secure indebtedness to the United States.

Charles U. Samenow

Charles U. Samenow

Ira Shesser

Ira Shesser

Office of the Administrator

December 8, 1955

1955 Delaware Legislation - Interim Report
Session: January 4, 1955 -

(The 1955 session of the Delaware legislature was in recess to December 5, 1955, the date on which this report was prepared. Status of bills is reported as of that date. Upon adjournment, a final report will be distributed.)

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Delaware.

Legislation Considered

Electrification

Pending

Electrical Examiners - S. B. 104, passed Senate May 10, 1955, amends Title 24, Delaware Code, by creating a State Board of Electrical Examiners and prescribing regulations for the reduction of fire hazards and for the protection of life and property. (S. B. 88, similar to S. B. 104, was stricken from the Senate Calendar on February 17, 1955.)

Failed

Public Service Commission - S. B. 97, stricken from Calendar, would have repealed Section 122, Title 26, Delaware Code, which exempts municipally owned utilities from the jurisdiction of the public service commission.

Electrification and Telephone

Pending

Public Service Commission - H. B. 577, pending in House Committee on Revised Statutes, would amend Chap. 1, Title 26, Delaware Code, relating to the powers, duties and functions of the Public Service Commission.

- S. B. 244, pending in Senate Committee on Public Lands, would amend Chap. 1, Title 26, Delaware Code, by requiring public utilities to notify property owners of their intention to discontinue service and providing for civil liability for damages. (S. B. 264, similar to S. B. 244, stricken from the Senate Calendar.

Failed

Public Service Commission - S. B. 445, stricken from Senate Calendar, would have amended Title 26, Delaware Code by abolishing the Public Service Commission.

- H. B. 489, died in House, would have amended Chap. 1, Title 26, Delaware Code, pertaining to the Public Service Commission.

Utilities - Condemnation - S. B. 217, defeated in Senate, would have amended Chap. 61, Title 10, Delaware Code, relating to condemnation, by granting to every corporation incorporated for the purpose of and engaging in the telephone, telegraph business or the business of distributing electricity in the State of Delaware, additional power to condemn and appropriate private property in certain cases under the power of eminent domain, for the construction, maintenance and operation of its lines and facilities and by providing for the determination of just compensation in such cases.

1955 Maine Legislation - Final Report
Session: January 5 to May 21, 1955

Governor's Message

The following are pertinent excerpts from the January 7, 1955 message of Governor Edmund S. Muskie to the Maine Legislature:

"Water Power Development and Utility Rates

It is in order at this point to discuss another water resource, the power potential of our streams and at Passamaquoddy Bay. Its development and use is important to the industrialization of Maine and to the fuller enjoyment by our citizens of those standards of living which electric power makes possible.

"Whether or not the Quoddy development will be realized is a question which, at the moment rests with Congress. Because of the promise which it holds for industrial expansion, the influence of State Government and our Congressional delegation must be brought to bear to the end that a final determination of its feasibility may be made. The effort in this direction should be stripped of all partisan, political considerations.

"It is timely to consider the wisdom of continuing on our statute books the Fernald Law which, since 1909, has prohibited the export from the State of any electric current generated by any water power in this State. It was apparently conceived on the theory that by hoarding our water power for use only in Maine, industries would flock here to take advantage of it. The theory did not work out. As a matter of fact, there is some reason to believe that the law hampered maximum development of our hydro-electric power in a period when a large surplus of developed power would have attracted new industries.

"There is no sound reason to continue this isolationist doctrine which prevents the integration of our power needs and resources with those of our natural economic partners--the neighboring New England States and Canada.

"Repeal of the Fernald Law at this time would serve at least two useful purposes:

1. Integration of our power system with those of our neighbors would enable us to export surplus power in periods of good water flow and to draw on their systems when we are confronted with a deficiency. This could very well reduce the necessity for heavy investment in new installations to supplement existing facilities in the areas thus affected. As a result the pressure for increases in rates to support such investments would be reduced.
2. The economic feasibility of developing such sites as the St. John River may well hinge on whether the power thus made available can be transported into the Canadian market. The importance of such a development to the economy of northern Maine seems obvious.

"Our inquiry into the field of water power development ought to extend to the Public Utilities Commission and the sufficiency of its authority to protect the consumer with reference to all utility rates. Legislation bringing this matter to your attention will undoubtedly be introduced. I recommend that in your deliberations, you inquire as to the following:

1. Whether the present law places an unfair burden on rate payers by stressing reproduction costs as a part of the rate base.
2. Whether the commission ought to be afforded additional trained staff to enable it to thoroughly analyze and evaluate the case made by any utility company for a rate increase.

"The rate statute should provide the companies with sufficient revenues to cover legitimate operating expenses and to support the investment necessary to provide facilities which will meet consumer demand. It should not be so inflexible as to give the companies an unjustified return on investments which were never made. The problem of incorporating these two objectives in the statute merits your thoughtful consideration.

"Atomic Energy

Your attention is called to the new frontiers which have been opened to Maine and the rest of New England by developments in the field of atomic energy. The New England committee on atomic energy was wisely created by the conference of New England governors on February 8, 1954. Its function is to inquire into ways and means of advancing the interests of New England in the development of atomic energy for peaceful purposes. Its interim report, recently issued, is a thoughtful and challenging exposition of the possibilities for stimulating industrial growth in this entire region.

"The committee recommends that the legislatures of the six New England states consider enactment of legislation, patterned after a suggested draft, which will enable us to take advantage of new developments in the field as they arise. This is an opportunity to begin building for the future which should not be overlooked."

Legislative Program

REA borrowers in Maine did not have a legislative program.

Electrification

Enacted

Atomic Energy - Development, Study and Regulation - S. B. 266, approved March 18, 1955, Chap. 105, adds Chap. 52-A to the 1954 Revised Statutes of Maine, stating the policy of the state to be (1) to cooperate actively in the United States program encouraging development and utilization of atomic energy for peaceful purposes; (2) to provide for the exercise of the state's regulatory authority to conform to the Atomic Energy Act of 1954; (3) to adopt laws and regulations to meet new conditions; (4) to conduct studies of the need for changes in the relevant laws and regulations, and (5) to insure the coordination of the studies with atomic industrial development activities of the state and regulatory activities of other states and the United States. Assigns study responsibilities to the various departments of the state government and provides for the appointment of a coordinator of atomic development activities.

Transmission of Hydroelectric Power Outside of State - S. B. 166, approved May 20, 1955, Chap. 402, repeals Chap. 50, Sections 1 - 2, 1954 Revised Statutes, the so-called "Fernald Law", prohibiting the transmission of hydroelectric power outside the state. (H. B. 693, dealing with the same subject, died in House.)

Licensing of Electricians - H. B. 487, approved May 20, 1955, Chap. 413, amends Chap. 82, 1954 Rev. Statutes dealing with the licensing of electricians.

Electric Fences - H. B. 729 enacted as Chap. 263, 1955 Laws, adds Chap. 137, Section 18-A to 1954 Revised Statutes making it a misdemeanor to sell, install or use electric devices for fences unless a standard type of controller is used, approved by underwriter's laboratories or the Maine department of industrial cooperation.

Failed

Electric Service - H. B. 1136, died in House, would have made provision with respect to interruptions in electric service furnished by public utilities.

Licensing of Electricians - H. B. 198, withdrawn in House, would have provided additional exemptions from the electricians' licensing requirements.

Electrification and Telephone

Enacted

Electric, Telephone and Other Utility Companies - Certificate of Organization - S. B. 523, approved April 20, 1955, Chap. 260 (substitute for S. B. 271) repeals Chap. 50, Sec. 8, 1954 Revised Statutes, requiring that the certificate of organization of a telephone company shall set forth the general route of the telephone lines proposed to be constructed and the points to be connected, and that the certificate of organization of an electric company shall specify the cities or towns in which it proposes to operate or serve.

- Extension of Service - S. B. 330, approved April 11, 1955, Chap. 186, adds to Chap. 44, Section 58, 1954 Revised Statutes provisions empowering the Public Utilities Commission to authorize any public utility organized by special act of the legislature to extend service notwithstanding any territorial limitations in the special act.

Public Utilities Commission - Notice of Hearing - S. B. 506, approved April 11, 1955, Chap. 202 (substitute for S. B. 104) amends Chap. 44, Section 61, 1954 Revised Statutes, relating to notice of hearings before the commission by empowering the commission to require a public utility seeking a rate change to give notice by mail to its subscribers where it appears to the commission that reasonable publicity has not been given by newspaper publication.

Failed

Public Utilities - Rates - S. B. 167, died in Senate, and H. B. 789, withdrawn in House, would have amended the statutes dealing with the valuation of public utility property for rate purposes.

Telephone
Enacted

Excise Tax - Telephone Companies - H. B. 1205, approved April 11, 1955, Chap. 186, amends Chap. 16, Sections 125, 128 and 132, 1954 Revised Statutes, by changing the base of the tax from "gross receipts" to "total gross operating revenues"; by increasing the maximum rate from 6% to 7%, and by enumerating the specific property exempted upon payment of the excise tax.

Hours of Work - Female Employees - Chap. 348, Laws of 1955, amends Chap. 30, Sections 30 and 32, 1954 Revised Statutes, prohibiting employment of females more than 9 hours a day or 54 hours a week in telephone exchanges which have more than 750 stations in place of previous prohibitions based on employment of more than 3 operators.

Failed

Telephone Companies - Taxation - H. B. 940, died in House, related to taxation of telegraph and telephone companies.

1955 Maryland Legislation - Final Report
Session: January 5 to April 4(5), 1955

Legislative Program

Electrification and Telephone

REA borrowers in Maryland did not have a legislative program.

Legislation Considered

Electrification

Enacted

Electrical Licensing - Local Laws - S. B. 424, approved April 11, 1955 and effective June 1, 1955, Chap. 299, amends Section 179-C and adds Section 179-S to Article 22 of the Code of Public Local Laws of Maryland relating to Electrical Apparatus and Wiring in Washington County by increasing the maximum annual compensation of the Board of Examiners and Supervisors and providing for the issuance of Restricted Electrician Licenses. This license to be issued to persons engaging in the limited fields of electrical work such as the installation, maintenance and repair of electrically operated heating equipment, electrically operated air-conditioning and refrigeration equipment, electrically operated elevators, electrical display signs or electrical household appliances.

- H. B. 855, approved April 18, 1955 and effective June 1, 1955, Chap. 548, amends Sections 105-G and 105-I of Article 9 of the Code of Public Local Laws of Maryland relating to Electrical Apparatus and Wiring in Charles County by increasing the fees for a master's electrician license and the renewal thereof.

Failed

Electrical Business - Regulation - Local Law - H. B. 489, died in House, would have added Sections 56 to 58 to Article 7 of the Code of Public Local Laws relating to Carroll County to provide for the creation of an Electrical Administrative Board to regulate and control the conduct of electrical business in Carroll County.

Electrification and Telephone

Enacted

Public Service Commission - S. B. 344, approved April 18, 1955 and effective June 1, 1955, Chap. 441, completely revises Article 78, Annotated Code of Maryland, relating to the Public Service Commission of Maryland, its powers and duties and to the regulation of public utilities in this State.

Failed

Judicial Regulation of Public Utilities - H. B. 756, died in House, would have amended Article 78, Annotated Code of Maryland, relating to the Public Service Commission by providing a means whereby the rates of certain public utilities may be fixed by the courts.

Public Utilities - Contracts - H. B. 197, died in House, would have amended Article 78, Annotated Code of Maryland, relating to the Public Service Commission, by requiring that public utilities subject to the regulatory powers of the PSC, shall make purchases and award contracts for amounts in excess of \$500 only by open bids, duly advertised.

TelephoneFailed

Party Lines - Emergency Calls - H. B. 532 and H. B. 750, both died in House, would have made it a misdemeanor for any person using a party line telephone to wilfully refuse to relinquish the line when informed that it is needed for an emergency call to a fire department or police department or for medical aid or ambulance service, and would have required publication of notice of the offense in telephone directories distributed to the public.

1955 Massachusetts Legislation - Final Report
Session: January 5 to September 16, 1955

Legislative Program

Electrification

No REA borrowers.

Telephone

No legislative program undertaken by REA borrower in Massachusetts.

Legislation Considered

Electrification and Telephone

Enacted

Electric and Telephone Lines - Underground - S. 792, approved August 5, 1955, Resolve Chap. 113, provides for an investigation by a special commission of the feasibility of putting certain power lines underground and the other problems relating to the interruption of electrical and telephone service. (This resolution carries out a recommendation made by the Governor in his message to the legislature.)

Failed

Public Utilities Commission - Consumer Representation - S. 627, vetoed April 4, 1955, would have provided for the representation and protection of consumer interest on the Public Utilities Commission.

- Hearings - H. 1938, withdrawn by the author, would have required the Department of Public Utilities to hold a public hearing in the area affected by any change in public utility rates or services. H. 1223, died in Senate, would have required the Attorney General to represent the public at hearings before the Department of Public Utilities.

- Rate Increases - H. 2204, withdrawn by author, would have prohibited the Department of Public Utilities from approving rate increases for public utilities without a finding of good service and management of such utilities.

- Investigations - H. 1738, and H. 2622, substituted by H. 2866 (see below) would have required public service corporations to defray the cost of investigations and special services by the Public Utilities Commission on an equitable basis. (H. 2866 approved July 19, 1955, Resolve Chap. 96, provides for an investigation by a special commission of certain proposed legislation pertaining to the industrial and economic development and prosperity of the Commonwealth and related matters.)

Telephone
Enacted

Telephone Companies - Property Valuation - S. 696, approved May 5, 1955, Chap. 344, provides for changing the procedure for valuing and assessing certain property of telephone and telegraph companies and changing the procedure relating to seeking abatements of taxes thereon and respecting appeals involved therein. H. 2693 substituted by S. 696.

Telephone Party Lines - H. 359, approved March 1, 1955, Chap. 120, makes it a misdemeanor for any person using a party line telephone to wilfully refuse to relinquish its use to another person for the purpose of placing an emergency call to a police or fire department or to summon medical aid and requiring notice of this act to be printed in telephone directories.

Failed

Telephone Charges - H. 450, referred to next annual session, related to regulation by the Department of Public Utilities of charges by telephone companies for special equipment.

Pay Telephones - Highways - H. 1680, withdrawn by author, would have authorized the Department of Public Utilities to require the installation of pay telephones on limited access highways.

Telephones - Number of Calls - H. 2201, referred to next annual session, would require telephone companies to equip telephones with a device to record the number of calls made.

1955 New Hampshire Legislation - Final Report
Session: January 5 to August 5(6), 1955

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in New Hampshire.

Legislation Considered

Electrification

Enacted

Public Utilities Commission - Power Marketing - H. B. 525, approved and effective June 30, 1955, Chap. 237, designates the public utilities commission as the agency of the state to bargain with the Power Authority of the State of New York for the procurement of power produced at projects operated by the authority. The commission is authorized to contract for the purchase of such power and to re-sell it on a nonprofit basis to the electric distribution companies, cooperative, municipal and privately-owned without preference or discrimination for distribution within the state. The commission is authorized to enter into contracts for the transmission of such power from the place of purchase to a point or points within the state.

Atomic Energy - Development - H. B. 168, approved and effective August 1, 1955, Chap. 281, provides for coordination within the State of New Hampshire of the development and regulatory activities relating to the peaceful uses of atomic energy. The act provides that it is to be the policy of the state "(1) to adapt its laws and regulations to meet the new conditions in ways that will encourage the healthy development of industries producing or utilizing atomic energy while at the same time protecting the public interest; (2) to initiate continuing studies of the need for changes in the relevant laws and regulations of the state by the respective departments and agencies of state government responsible for their administration, and (3) to assure the coordination of the studies thus undertaken, particularly with other atomic industrial development activities of the state and with the development and regulatory activities of other states and of the government of the United States." Various state departments and agencies are directed to initiate studies as to the need for any changes in the laws or regulations administered by them. In this connection the public utilities commission is to make a study of "the participation by public utilities subject to its jurisdiction in projects looking to the development of production or utilization facilities for industrial or commercial use." One of the department heads is to be appointed coordinator of atomic development activities and shall serve as adviser to the Governor on atomic matters and shall represent the State of New Hampshire and participate "in the activities of any committee formed by the New England States to represent their interest in such matters and also cooperation with other states and with the government of the United States."

Failed

Electricians Registration - H. B. 461, died in House, would have provided for the registration and licensing of electricians. The bill would have established the state board of registration of electricians to consist of five members appointed by the Governor for five year terms. The board would have been authorized to establish rules and regulations for the examination of and issuance of licenses to electricians.

Electrification and TelephoneEnacted

Public Utilities Commission - Administrative Expenses - H. B. 355, approved and effective June 20, 1955, Chap. 203, adds Chap. 286-A to the Revised Laws of New Hampshire providing for the assessment of the expenses of the public utilities commission against certain public utilities. The commission is directed after the close of the fiscal year to ascertain the total of its expenses during such year and an amount not exceeding \$75,000 shall be assessed against the public utilities subject to its jurisdiction. "The public utilities commission shall establish reasonable classifications of public utilities, and shall determine the share of its expenses attributable to each such class. Each such share shall be assessed against the several public utilities comprising the class in such proportion as the public utilities commission shall determine to be fair and equitable." The provisions of this act are made applicable to the expenses of the commission for the fiscal year ending June 30, 1955. (This bill carries out Governor Dwinell's recommendation in his special message of February 3, 1955.)

Failed

Public Utilities - Discontinuance of Service - H. B. 229, died in Senate, would have amended Section 26, Chap. 289, Revised Laws of New Hampshire relating to the authority of the public utilities commission to permit a public utility to discontinue temporarily or permanently any part of its service.

Public Utilities Commissioners - Election - H. B. 463, died in House, would have amended Chap. 286, Revised Laws of New Hampshire relating to the membership of the public utilities commission by providing for the nomination and election of its members by popular vote in the primary and general elections in lieu of the present procedure of appointment by the Governor.

Public Utilities Commissioners - Qualifications - H. B. 231, died in House, would have amended Chap. 286, Revised Laws of New Hampshire relating to the qualifications of the members of the public utilities commission by providing that at least one member of the commission shall be either a graduate mechanical engineer or a graduate electrical engineer.

TelephoneEnacted

Utilities - Taxation - H. B. 485, approved and effective June 23, 1955, Chap. 225 amends Section 6, Chap. 83, Revised Laws of New Hampshire relating to evidence of value for determination of taxation of public utilities, including telephone companies, by adding a provision that "the tax commission shall consider the value of the physical property, real and personal, in this state in addition to such other evidence as it may deem material and relevant in determining the value of a public utility. (This bill carries out Governor Dwinell's recommendation in his special message of February 3, 1955.)

Corporations - Mortgages - H. B. 92, approved and effective March 5, 1955, Chap. 19 amends Section 40, Chap. 274, Revised Laws of New Hampshire relating to the vote required by a corporation to change its name, articles of agreement, issue stock, sell, lease or exchange property, etc. by adding a provision that "a mortgage shall not be construed to be a sale within the meaning of this section and nothing herein shall be construed to limit the authority of the board of directors of a corporation to mortgage the property and assets of the company."

Party Line Telephones - H. B. 63, approved June 30, 1955, Chap. 235 adds Section 29a to Chap. 440, Revised Statutes of New Hampshire, relating to the emergency use of telephone party lines by providing that "whoever shall willfully refuse to yield the use of a telephone party line for giving of a fire alarm or emergency call for police, medical aid or ambulance service, or shall willfully represent falsely that the use of a telephone party line is needed to give a fire alarm or emergency call shall be fined not more than fifty dollars."



1955 New Jersey Legislation - Interim Report
Session: January 11, 1955 -

(The 1955 session of the New Jersey legislature was in recess to December 5, 1955, the date on which this report was prepared. Status of bills is reported as of that date. Upon adjournment, a final report will be distributed.)

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in New Jersey.

Legislation Considered

Electrification

Pending

Public Utilities - Gross Receipts Tax - S. B. 109, pending in Senate Committee on Highways, Transportation and Public Utilities, would amend Chap. 5, Laws of 1940 as amended by Chap. 264, Laws of 1952, relating to taxation of the gross receipts of certain public utility corporations occupying the public streets, highways, roads or other public places to provide that the tax now imposed annually at the average rate of taxation shall not exceed $7\frac{1}{2}\%$ of its gross receipts from business in the state.

Electrification and Telephone

Enacted

Corporations - Capital Stock Payments - S. B. 326, approved and effective July 19, 1955, Chap. 154, amends Section 14:8-16 of the Revised Statutes relating to capital stock payments by striking out the requirement that the certificate filed in the office of the Secretary of State reporting the amount of such stock payment contain a statement of the total amount of capital stock previously paid. The section is further amended to permit a vice-president of the corporation to sign the certificate in lieu of the president.

Public Utilities - Motor Vehicles - A. B. 475, approved August 5, 1955, Chap. 198, amends Section 39:3-84 of the Revised Statutes, relating to the maximum length, width and weight of motor vehicles by providing that the limitations of the paragraph relating to length of vehicles shall not apply to a vehicle nor to any combination of vehicles operated by a public utility when used for the construction, reconstruction, repair or maintenance of its property or facilities.

Pending

Public Utility - Labor Disputes - A. B. 12, A. B. 57 and A. B. 88 pending in Assembly Labor and Industrial Relations Committee, would repeal Chap. 38, Laws of 1946, as amended, concerning labor disputes in public utilities and providing for compulsory arbitration.

Public Utilities Board - A. B. 77, pending in Assembly Committee on Highways, Transportation and Public Utilities would amend Section 48:2-1 of the Revised Statutes relating to the Board of Public Utilities by increasing its membership from 3 to 5 with at least one member specifically selected to represent labor interests and one member to represent consumer interests.

TelephonePending

Telephone Party Lines - A. B. 275, conditionally vetoed by the Governor August 3, 1955, would make it a misdemeanor for any person using a telephone party line to refuse to relinquish same upon request for the purpose of placing an emergency call to a police or fire department or for medical aid or ambulance service. Section 2 of the bill requires the publication of these provisions in all telephone directories printed and distributed after January 1, 1956 and makes it a misdemeanor for any person or corporation to distribute a telephone directory which does not contain printed notice of this law.

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Note: In his message to the legislature on January 11, 1955, Governor Meyner recommended the adoption of the Uniform Commercial Code and consideration of the revision of Title 48 of the Revised Statutes relating to public utilities which is being prepared by the Legislative Revision Commission. As of the date of this report no legislation on these subjects has been noted.

1955 New York Legislation - Final Report
Session: January 5 to April 2, 1955

Governor's Message

The following excerpt is from the January 5, 1955 message of Governor Averill Harriman to the New York Legislature:

"St. Lawrence and Niagara Power

"My administration will firmly adhere to the policy of the inalienability, conservation and further development under public auspices of our great basic natural water resources on our international boundary rivers.

"The State Power Authority has obtained a license on the St. Lawrence. A few days ago the authority sold \$335,000,000 of its own revenue bonds. The authority is working with the Hydro of Canada on the dams dredging and power installations for completion in five years, and it is expected that some power will be sold within four years. Under the Power Authority Act all contracts for the sale of power must be submitted to the Governor for his approval.

"The installations on the St. Lawrence are being closely coordinated with the Seaway development in the international area. In the process the authority will provide a splendid boundary park and parkway system on our side of the St. Lawrence.

"A major battle is now shaping up on the Niagara River. There five private utility companies are seeking by Federal legislation to seize the state's water power. I cannot emphasize too strongly the importance of a unified, determined effort to persuade Congress to reject the plan of the five utility companies. What is essential and imperative is that Congress enable the State Power Authority to develop the power at the Niagara for the benefit of the consumers of our state and not for the benefit of the five utility companies. In addition, our Niagara Frontier park and parkway program, established more than thirty years ago and largely held back by the private power interests, must no longer be neglected. As Governor of the state I shall do all in my power to attain these objectives.

"Later during this session I shall communicate with your honorable bodies on the development of these water power resources and low-cost electricity."

Legislative Program

Electrification and Telephone

REA borrowers in New York did not have a legislative program.

Legislation ConsideredElectrificationFailed

Electric Submetering Corporations - S. B. 1057, died in Senate, would have given the Public Service Commission supervision over electric and gas sub-metering corporations and required that other business of such corporation be kept separate in accounting records. (A. B. 1286, same as S. B. 1057, died in Assembly.)

Electric Rates - S. B. 1058, died in Senate, would have authorized the Public Service Commission to require electric and gas corporations filing optional rates to give written notice once a year to each customer as to which rate affords lowest charges based on class and quantity of service furnished during preceding 12 months. (A. B. 1287, same as S. B. 1058, died in Assembly.)

Electric Service - Discontinuance - S. B. 1422, died in Senate, would have provided that notice of intent to discontinue service by electric or gas corporation shall not be served until 30 days after bill has been rendered. Proof of delivery or mailing of notice would have had to be made a part of the corporate records and kept available for inspection for one year. (A. B. 1686, same as S. B. 1422, died in Assembly.)

State Power Authority - S. B. 1526, died in Senate, would have amended the Public Authorities Law by striking out the provision giving the State Power Authority jurisdiction to improve the Niagara River and to regulate the use thereof for the generation and sale of power. (A. B. 1931, same as S. B. 1526, died in Assembly.)

Power Authorities - Tax Exemption - S. B. 2450, died in Senate, would have repealed Section 1012, Public Authorities Law, which exempts power authorities from taxes and assessments on property or securities acquired for hydroelectric power projects. (A. B. 3074, same as S. B. 2450, died in Assembly.)

Public Authorities - Subject to Public Service Law - S. B. 2451, died in Senate, would have amended Section 1014, Public Authorities Law, to strike out provision that rates, services and practices relating to generation and distribution of power from public authorities shall not be subject to public service law provisions. (A. B. 3073, same as S. B. 2451, died in Assembly.)

Hydroelectric Power Projects - S. B. 3022, died in Senate, would have amended Section 452, Conservation Law, to give water power and control commission the authority to approve or reject plans of river regulating board with approval or modification of plan to contain provision that no individual, partnership, corporation or other entity engaged in sale of power shall for rate-making purposes include in their claimed valuation, an amount greater than that expended for improvements of property affected by said plan and that valuations shall be reduced by amounts amortized out of income. (A. B. 3281, same as S. B. 3022, died in Assembly.)

Electricians Licensing - S. B. 932, died in Senate, would have added Section 325, County Law, to permit the board of supervisors to adopt local laws regulating and licensing master and special electricians, with exception for plants generating electricity and certain special electrical work. (A. B. 1294, same as S. B. 932, died in Assembly.)

Electrification and Telephone

Failed

Public Service Commission - Study - S. B. 861, died in Senate would have provided for the appointment of a legislative and executive committee to study and revise the public service law and the procedures of the Public Service Commission. (A. B. 603, same as S. B. 861, died in Assembly.)

Forest Lands - Utility Easements - S. B. 1062, died in Assembly, would have amended Section 1, Article 14 of the Constitution to provide that restrictions on use of forest preserve lands shall not prevent construction, operation and maintenance by municipalities, state or local agencies, electric, telephone and gas corporations, of facilities for transmission or distribution of electric energy, communications by wire or radio, etc. in locations approved by the conservation commission. (A. B. 1375, same as S. B. 1062, died in Assembly.)

Utility Rates - Investigation - S. Res. 79, died in Senate, would have directed the Attorney General to investigate the policies and practices of the public service commission with respect to fixing and approving of the rates and charges of public utility companies for electric, telephone and gas service.

Telephone

Failed

Telephone - Metering - S. B. 1664, died in Senate, would have required telephone corporations to install, by January 1, 1957, a metering device on each telephone to indicate the number of out-going calls. Telephone charges would be based on the number of local calls made. Public telephones and extensions would be excepted. (A. B. 1989, same as S. B. 1664, died in Assembly.)



1955 North Carolina Legislation - Final Report
Session: January 5 to May 26, 1955

Legislative Program

Electrification and Telephone

REA borrowers in North Carolina did not have a legislative program.

Legislation Considered

Electrification

Enacted

Hydroelectric Plants - Roanoke River - S. Res. 499, ratified May 10, 1955; Resolution 40, requests Federal agencies responsible for the operation of hydroelectric projects on the Roanoke River to reevaluate minimum flow releases of the river in order to insure an adequate flow to provide for multiple stream uses in the interest of public health, economic welfare and recreation.

Electrification and Telephone

Enacted

Non-Profit Corporation Act - S. B. 46, ratified May 24, 1955, Chap. 1230, eff. July 1, 1957 generally repeals all existing provisions of law relating to non-profit corporations appearing in Chapter 55 of the General Statutes and enacts a complete new set of provisions for the organization and operation of non-profit corporations. It specifically covers all marketing associations without capital stock formed under Chapter 54 of the General Statutes (one refrigeration cooperative is affected by this provision). Its availability for electric or telephone associations is doubtful in view of the exclusions contained in Section 55A-5.

Business Corporations Act - S. B. 49, ratified May 26, 1955, Chapter 1371, effective July 1, 1957, rewrites Chapter 55 of the General Statutes entitled "Corporations" with the exception of certain designated articles and sections (Article 8, "Uniform Stock Transfer Act"; Article 12, "Execution"; Article 13, "Receivers"; Article 15 "Reorganization"; etc.). The new Chapter is entitled "Business Corporation Act".

Non-Profit Corporation - Directors - H. B. 647, ratified and effective May 11, 1955, Chapter 914, amends Section 55-48 of the General Statutes relating to the election of trustees or directors of non-profit non-stock corporations by providing that vacancies may be filled by the remaining members of the board of trustees or directors when all terms do not expire at the same time.

North Carolina Utilities Commission - H. B. 1135, ratified May 23, 1955, Chapter 1207 and effective June 1, 1955, amends Section 62-26.6 of the General Statutes relating to the right of appeal from decisions of the North Carolina Utilities Commission by eliminating the necessity of filing a petition for re-hearing on an appeal to the Superior Court.

Telephone
Enacted

Party Lines - Emergency Calls - H. B. 1113, ratified and effective May 12, 1955, Chapter 958, makes it a misdemeanor for any person using a party telephone line to refuse to relinquish such line when informed that it is needed for an emergency call to a fire department, police department or for medical aid or ambulance service.

Taxation - Mutual or Cooperative Telephone Companies - H. B. 10 ratified May 25, 1955 and effective July 1, 1955, Chapter 1313, amends Chapter 105 of the General Statutes entitled "The Revenue Act". Section 1 relates to taxes on Cooperative Associations and adds Section 105-102.1 to the General Statutes by providing for the levy of an annual license fee of \$10.00 on certain cooperative associations, including mutual or cooperative telephone associations or companies, which fee shall be in lieu of other license taxes.

1955 Pennsylvania Legislation - Interim Report
Session: January 4, 1955 -

(The 1955 session of the Pennsylvania General Assembly was still in session on December 5, 1955, the date on which this report was prepared. Status of bills is reported as of that date. Upon adjournment, a final report will be distributed.)

Legislative Program

Electrification and Telephone

REA borrowers in Pennsylvania did not sponsor legislation at this session.

Legislation Considered

Electrification

Enacted

Municipal Authorities - Eliminate Requirement of PUC Approval of Acquisitions - S. B. 455, approved October 22, 1955, Act 212, amends Section 9B of the Municipal Authorities Act of 1945 by eliminating the requirement of Public Utility Commission approval of the acquisition of projects and substituting therefor a requirement that the Authority first report to and advise the municipalities which created or are members of the Authority of the terms of the acquisition agreement.

Pending

Electric Cooperative Corporation Act - Repeal of Tax Exemption - H. B. 1040, pending in Judiciary Special Committee, would repeal Section 31 of the 1937 Electric Cooperative Corporation Act which exempts electric cooperatives from all state taxes upon payment of a fee of \$10 per 100 members.

Atomic Energy - Joint Legislative Commission Study - S. Con. Res. 140, pending in State Government Committee, would establish a joint legislative commission to study the problems arising in relation to the development, use and control of atomic energy in the Commonwealth.

Electric Rates - Investigation - H. Res. 9, pending in Rules Committee, would direct the Joint State Government Commission to study gas and electric rate increases in the past four years, and report to the General Assembly in June 1955.

Electric Facilities - Acquisition by Public Bodies - H. B. 117, pending in House Municipal Corporations Committee, would authorize cities, towns, etc. to construct, acquire, own, operate, sell and lease facilities for the production transmission and distribution of electricity and other utility services within or without corporate limits.

Electric Fences - H. B. 1770, pending in House Judiciary Committee, would amend the provisions of the Penal Code regulating the energizing of fence wires with electricity.

Electrification and Telephone
Pending

Chattel Mortgages - Recording - H. B. 986, passed House on October 14, 1955, and passed first reading in Senate where now pending, would reenact, with respect to chattel mortgages executed and filed between June 1, 1945 and July 1, 1954, the Chattel Mortgage Act of 1945 which was repealed by enactment of the Uniform Commercial Code, effective July 1, 1954. The 1945 Act governed the recording of REA chattel mortgages prior to July 1, 1954. Its requirements as to refiling every 5 years are still being observed with respect to REA mortgages due to uncertainty as to the applicability of the Uniform Commercial Code to such mortgages.

- H. B. 1507, passed House October 14, 1955, pending in Senate, would amend Section 9-403 of the Uniform Commercial Code to require refiling of chattel mortgages every 5 years in place of previous provision making recording effective until stated maturity date.

Public Utilities - Rates - H. B. 79, pending in House Public Utilities Committee, and S. B. 164, pending in Senate Corporations Committee, would prohibit rate increases without public hearing.

- H. B. 496, pending in House Public Utilities Committee, would require hearings to be held within the county where any increase in rates is to be effective.

- H. B. 500, reported with amendment and recommitted to House Public Utilities Committee, and S. B. 191, pending in Senate Corporations Committee, would define fair value, require that just and reasonable rates shall be such as to provide fair return on fair value, and require written notice to designated parties of all changes and proposed changes in rates and tariffs.

- H. B. 862, pending in House Public Utilities Committee, would require notice to consumers in certain cases and authorize consumer-committee representation before the PUC with the costs to be paid by the public utility if the committee participation contributed to the determination of the issues.

- H. B. 1165, pending in House Public Utilities Committee, would impose burden of proof by clear and convincing evidence upon the public utility in rate cases.

- H. B. 1899, pending in House Public Utilities Committee, would change the duties of utilities and the powers and duties of the PUC as to rate changes, and change the time of taking effect.

Public Utilities - Taxation - H. B. 237, H. B. 550, and H. B. 551, all pending in House Committee on Municipal Corporations, would amend the county assessment laws to make the real estate of public service companies taxable. Electric transmission lines and rights of way would be excepted.

Public Utilities - Labor Disputes - H. B. 1236 and H. B. 1386, both pending in House Labor Relations Committee, would repeal the 1947 act for the settlement of labor disputes affecting public utilities.

- H. B. 1768, defeated in House October 14, 1955 (89 to 53) and reconsidered on November 22, 1955 and postponed, would establish procedure for the settlement of labor disputes in public utilities.

Public Utilities - Appeals - S. B. 732, pending in Senate Corporations Committee, would amend 1937 Public Utility Act with respect to appeals to Supreme Court.

Public Utilities - Inclusion of Municipal Authorities - S. B. 134, pending in Senate Corporations Committee, would amend definition of "public utility" to include Municipal and General State Authorities.

Public Utility Commission - H. B. 238 and H. B. 1013, both pending in House State Government Committee, would provide for election of members and for election of chairman by members in place of appointment by Governor.

- H. B. 1148, pending in House Public Utilities Committee, would create within the PUC a Bureau of Investigation.

- H. B. 1155, pending in House Labor Relations Committee, would require the appointment to the PUC of one representative of organized labor.

Excise Tax - H. B. 1913, pending in House Ways and Means Committee, would levy an excise tax on the storage, use or other consumption of tangible personal property.

Vehicle Length - S. B. 866, pending in Senate Highways Committee, would amend the Vehicle Code with respect to the maximum length of certain vehicles.

Telephone Enacted

Party Lines - Emergency Calls - H. B. 180, approved June 23, 1955, Act 55, makes it a criminal offense to refuse to yield a party line for an emergency call, and to neglect printing a notice explaining the offense in any telephone directory distributed to the public. (H. B. 864, identical bill, pending in House Committee on Law and Order; S. B. 315, identical bill, pending in Senate Judiciary General Committee.)

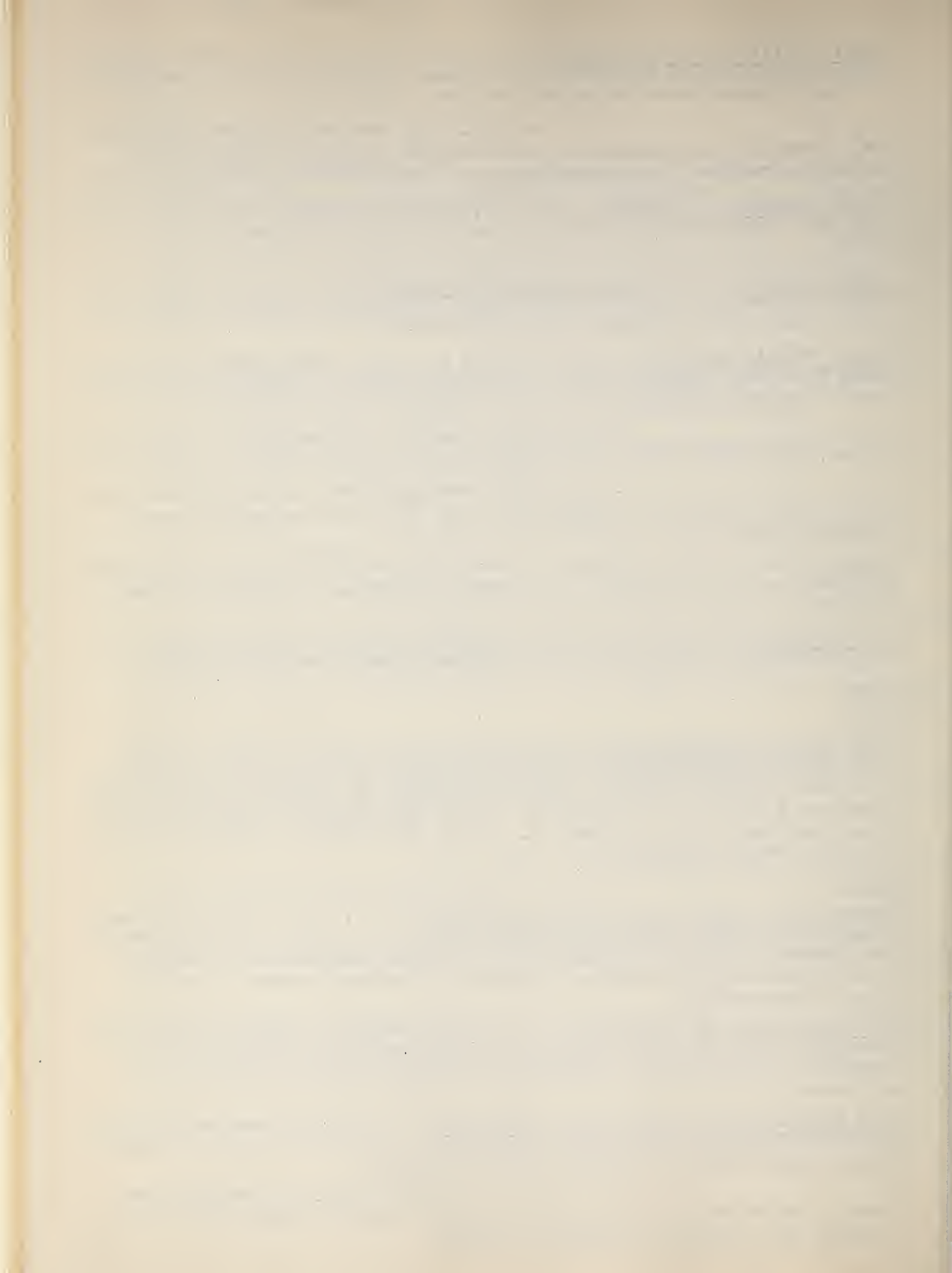
Pending

Corporations - Increase of Stock Indebtedness - H. B. 1510, pending in House Judiciary Committee, proposes amendment of Section 7, Art. 16 of Pennsylvania Constitution to delete the requirement that stock indebtedness of private corporations may not be increased without stockholders' consent at meeting after 60 days notice.

1887 Cooperative Associations Act - S. B. 291, pending in Senate Corporations Committee, would amend this act to provide for perpetual existence and for prospective or retroactive amendments of articles dealing with duration of existence.

1933 Nonprofit Corporations Act - Amendments - H. B. 649, passed House May 10, 1955 and pending in Senate, would give members only power to make and amend bylaws unless articles or bylaws otherwise provide.

- H. B. 662, passed House and Senate, pending before Governor, would empower nonprofit corporations to transfer their property and assets in trust.



1955 Vermont Legislation - Final Report
Session: January 5 to June 11, 1955

Legislative Program

Electrification

REA borrowers in Vermont expressed interest in securing legislation to require full development of water resources. No legislation on this subject was submitted for consideration by the Vermont legislature at the 1955 session.

Telephone

No legislative program was undertaken by REA borrowers in Vermont.

Legislation Considered

Electrification

Enacted

Electric Cooperative Act - S. 101, approved and effective May 19, 1955, Public Act 208, amends Subdivision XIV of Section 9773 of the Vermont Statutes, 1947, relating to the powers of electric cooperatives by striking out the restriction that "a cooperative shall not exercise the right of eminent domain as provided by chapter 397" and adds Subdivision XV to Section 9773 providing that cooperatives shall have power "To condemn property within the state, or easements or other limited rights therein, in the manner provided for public service corporations by sections 9332 to 9345 inclusive, when it is necessary in order that it may render adequate service to the public in the conduct of its business."

Public Service Commission - Power Procurement and Marketing - H. 144, approved and effective April 1, 1955, Public Act 97, amends Section 3 of Act 193, Acts of 1951. Act 193 designated the PSC as the planning agency of the State for the purpose of obtaining for all the communities and localities in the State proper utility service at minimum cost under efficient and economical management. Section 3 of the Act provides that the PSC shall be the agent for the State in any negotiations for the procurement of energy from any source outside the State. This section is amended to authorize the PSC to enter into contracts with the approval of the Governor, "for the transmission of such energy from the place of purchase to a point or points within the state of Vermont." The commission is authorized to expend funds to employ additional engineering and legal personnel to assist it in the procurement of such energy.

Television Interference - H. 181, approved April 28, 1955, Public Act 157, amends Sections 3773 and 3775 of the Vermont Statutes, 1947, relating to handling complaints regarding interference with radio reception and transmission by making it applicable to television reception and transmission and increasing the maximum amount of cost of correction of such interference from \$15.00 to \$50.00

Failed

Vermont Energy Corporation - S. 82, died in Senate, would have created the Vermont Energy Corporation. The corporation would have been authorized: (a) to conduct a study and investigation of the availability of energy in any form; (b) to cooperate, negotiate and contract with appropriate agencies of the United States and other states of the United States, and the Dominion of Canada, as well as private agencies, for the purpose of acquiring energy in economically feasible quantities; (c) to secure licenses, permits or approval from appropriate agencies of its plans or projects necessary to effectuate the purposes of this act; (d) to develop, maintain and operate such projects as may be undertaken, and (e) to negotiate and contract for the acquisition, transmission and distribution of such energy. Section 6 of the bill would have also authorized the corporation to construct transmission lines and atomic reactor plants.

Electrification and TelephoneEnacted

Corporation - Election of Officers - S. 16, approved and effective February 24, 1955, Public Act 41, amends Section 5782, of the Vermont Statutes, 1947, relating to the election of officers of a corporation by adding the following provision: "If the by-laws of a non-profit corporation so provide, the president, treasurer and other officers of the corporation may be elected annually by the stockholders or members. The member elected president shall be ex officio a member of the board of directors or trustees."

Failed

Public Service Commission - Election of Members - S. 2, died in Senate, would have provided for the election of members of the Public Service Commission by popular vote.

TelephoneEnacted

Telephone Party Lines - H. 238, approved April 15, 1955 and effective July 1, 1955, Public Act 127, provides for the imposition of penalties of a fine or imprisonment upon any person who wilfully refuses to surrender the use of a telephone party line upon the request of another person who wishes to use the party line "to report a fire or summon police, medical or other aid in the case of an emergency." Section 4 requires that "every telephone directory hereafter distributed to the members of the general public shall contain a copy of this law, printed in type which is no smaller than eight point type and is headed by the word 'warning' in larger and bold faced type."

1955 Connecticut Legislation - Final Report
Session: January 5 to June 8, 1955

Legislative Program

Electrification

Although the model Electric Cooperative Act was enacted in Connecticut in 1941 there have been no REA electric borrowers.

Telephone

No REA borrowers.

Note: The legislature enacted Public Act 46 providing for coordinating development and regulatory activities relating to the peaceful uses of atomic energy.

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R. I. - 1

1955 Rhode Island Legislation - Final Report
Session: January 4 to April 29(30), 1955

Legislative Program

Electrification and Telephone

No REA borrowers in Rhode Island.

Note: The legislature enacted S. B. 34, approved and effective January 26, 1955, providing for coordinating development and regulatory activities relating to the peaceful uses of atomic energy.

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Va. - 1

1955 Virginia Legislation - Final Report
First Special Session: November 30 to December 3, 1955

The Virginia legislature was called into special session to consider legislation relating to schools. At a special session the legislature may consider any subject that can be taken up at a regular session. No legislation affecting the REA programs was noted.

1955 Florida Legislation - Final Report
Session: April 5 to June 3, 1955

Legislative Program

Electrification

The Florida REA Cooperatives Association drafted and arranged for the introduction of legislation to amend the Rural Electric Cooperative Act to (a) permit electric cooperatives to continue to serve in areas which have been incorporated within a municipal corporation through annexation (see S. B. 35 and H. B. 113, below), and (b) prohibit the sale or distribution of electrical energy to anyone receiving adequate central station service from any rural electric cooperative. (See S. B. 217 and H. B. 112, below.)

The Florida Municipal Utilities Association indicated that they would give their support to this legislation.

Telephone

No legislative program was developed by REA telephone borrowers.

Legislation Considered

Electrification

Enacted

Rural Electrification Administration - H. Con. Res. 1178, approved May 30, 1955, expresses the gratification of the Florida Legislature for the rural electrification movement on the occasion of its 20th anniversary. The resolution states that "more than fifty thousand homes and other establishments in Florida have obtained the blessings of central station electric energy since that time (May 11, 1935) through the offices of the fifteen rural electric cooperatives operating in Florida."

Atomic Research Project - S. B. 304, approved and effective May 27, 1955, Chap. 29692, authorizes the engineering and industrial experiment station at the University of Florida to obtain, acquire, procure, establish, construct, develop and equip an atomic research project, and obtain an engineering and industrial research nuclear reactor. (H. B. 294, same as S. B. 304, died in House.)

Failed

Rural Electric Cooperative Act - Operations in Areas Annexed by Municipalities - S. B. 35, passed Senate as amended May 4, 1955, died in House. As originally introduced this bill would have amended Subsection (4) of Section 425.04, Acts of 1953, relating to the powers of rural electric cooperatives, by authorizing continued operations in areas which become incorporated as municipal corporations or which are included within the corporate limits of an established municipal corporation. The Senate passed a committee substitute which did not amend any existing provisions of the Rural Electric Cooperative Act but instead provided "where public utility facilities of a

rural electric cooperative, municipal corporation or other public service corporation are located within unincorporated territory subsequently included within newly created limits of a city or town by way of annexation, extension of corporate boundaries, new incorporation or otherwise, such facilities shall continue to be so located and shall be maintained and operated by the owner thereof within such particular territory which has been annexed or newly incorporated for the purpose of serving its utility customers from its existing lines therein subject to powers vested in the city or town to regulate, control and direct the operations of such a public service corporation within its corporate boundaries and subject to the imposition and collection of such franchise taxes on public services as may be imposed by the city or town." (H. B. 113, same as S. B. 35, died in House.)

Electric Cooperative Customers - S. B. 217, passed Senate, died in House, would have prohibited the sale or distribution of electrical energy to anyone receiving adequate central station electrical service from any rural electric cooperative now or hereafter authorized to do business in Florida. (H. B. 112, same as S. B. 217, died in House.)

Power Lines - Accident Prevention - H. B. 595, died in House, related to the prevention of accidents due to contact with power lines and would have provided for the establishment of certain precautionary measures to be employed in the vicinity of such lines. Failure to comply with the provisions of the act would have been a misdemeanor. (H. B. 34 and H. B. 54, related to the same subject and after being reported unfavorably from the Public Utilities and Public Safety Committee on April 22 were substituted by H. B. 595, above. S. B. 890, companion bill to H. B. 34 and H. B. 54, passed the Senate, but died in the House.)

Orlando Utilities Commission - H. B. 789, died in House, would have amended Section 9, Chap. 9861, Laws of Florida, 1923 creating the Orlando Public Utilities Commission by providing that the commission, in addition to its present powers and authority, "be authorized to construct and maintain and operate electrical and water works plants in any part of the State of Florida and to construct and maintain electric lines and water mains in and along and under all public highways throughout the State of Florida, including the streets of any municipality for the purposes of conveying electricity, power and water to any and all parts of Orange County, Florida."

Electrification and Telephone Failed

Public Utilities - Penalty Payments - H. B. 590, died in House, would have made it unlawful for any public utility to apply or assess a penalty or late charge for nonpayment of a public utility bill on time.

Florida Railroad and Public Utilities Commission - H. B. 861, died in House, would have provided for fees required to be collected by the Florida Railroad and Public Utilities Commission for certain services.

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Special Session - June 6, 1955 - (on Sept. 30, 1955 legislature recessed to June 4, 1956)

The Florida legislature was called into special session to consider legislation relating to redistricting of the legislature. Special sessions are limited in their consideration to subject listed in the Governor's call. No legislation affecting the REA programs has been noted.

1955 Georgia Legislation - Final Report
Session: January 10 to February 18, 1955

Legislative Program

Electrification

The Georgia Electric Membership Corporation at the December 30, 1954 meeting of its Executive Committee considered four legislative proposals presented by the Power Committee which would provide the Public Service Commission with additional power with respect to power transmission. The association's special attorney was instructed to prepare appropriate bills and turn them over to the association manager for presentation to the legislature at the discretion of the Power Committee. These bills do not appear to have been introduced in the 1955 session.

Telephone

No legislative program is reported to have been sponsored by REA borrowers.

Legislation Considered

Electrification

Enacted

Federal Appropriations for Water Resource Development - H. Res. 15, adopted by the House, requests Congress to appropriate construction funds for the Fort Gaines dam and lock and the Hartwell Dam.

Failed

Jackson Electric Membership Corp. - Compensation for Damages - H. Res. 130, died in House, would have provided for compensation to this cooperative for damage to its electric transmission lines.

Electrification and Telephone

Failed

Utility Rate Investigation - H. Res. 67, died in House, and S. Res. 42, died in Senate, would have created a committee to investigate utility rates, taxation and other matters.

Public Service Commission - H. B. 364, died in House, would have amended statutory provisions dealing with the domicile and office of the Public Service Commission.

Telephone

Failed

Public Service Commission - H. B. 578, died in House, would have amended the 1950 Act authorizing the Commission to issue certificates of convenience and necessity to telephone companies and telephone cooperatives.

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Special Session: June 6 to June 17, 1955

The Georgia legislature was called into special session to consider tax legislation. Special sessions are limited in their consideration to subjects listed in the Governor's call. No legislation affecting the REA program was noted.



1955 South Carolina Legislation - Final Report
Session: January 11 to May 27, 1955

(Note: The General Assembly of South Carolina meets in two annual sessions. The first session of each legislature convenes in odd-numbered years. Legislation introduced in the first session and not finally disposed of may be considered during the second session which meets in the even-numbered years. The second regular session of the current General Assembly will convene on January 10, 1956.)

Legislative Program

Electrification

South Carolina Electric Cooperative has for a number of years considered sponsoring legislation to solve the problems faced by a number of REA borrowers with regard (1) to the incorporation of areas served by them into municipalities and (2) to the right to continue to serve in areas which lose their rural character. REA's advice and assistance on these problems were sought and at the request of the Statewide Association drafts of bills were furnished proposing alternative amendments to the Rural Electric Cooperative Act to: (1) amend the definition of "rural area" to permit an electric cooperative to continue service in an area which was rural at the time it commenced service and allow it to extend its service to additional consumers in the area which was formerly rural; (2) permit a cooperative only to continue service to those consumers receiving service prior to the time the area ceased to be "rural". Drafts of legislation were also supplied proposing amendments to the public utility law to require electrical utilities to secure a certificate of convenience and necessity before making an extension into territory contiguous to that already occupied by it if such territory is receiving service from another "supplier" of electrical service and to give a cooperative standing to complain to the Public Service Commission of unreasonable interference with its service or system. The Association decided to sponsor legislation to amend the definition of "rural area" as contained in the Rural Electric Cooperative Act by fixing the population limit of 2500 persons as of the time a cooperative commenced service (see S. B. 139 and H. B. 1539, below) and to amend the powers of a cooperative by specifically authorizing continuation of cooperative service in areas which cease to be rural under the statutory definition (see S. B. 138 and H. B. 1540, below).

Telephone

No legislative program was undertaken by REA borrowers in South Carolina.

Legislation ConsideredElectrification
Enacted

South Carolina Public Service Authority - H. 1127, approved April 8, 1955, Act 367, provides for the appointment of a committee of nine members to investigate the financial status of the South Carolina Public Service Authority. The committee which consists of three members of the House of Representatives appointed by the Speaker of the House, three members of the Senate appointed by the President of the Senate and three members from the state at large appointed by the Governor, is given the power to issue subpoenas for witnesses or documents and the authority to employ counsel, accountants, engineers or other persons deemed necessary. Ten thousand dollars is appropriated to the committee which is directed to file its report on the first day of the 1956 session of the legislature (January 10, 1956) together with any recommendations for legislation which it may find necessary. S. 35, H. 1056 and H. 1057, all died in the House Ways and Means Committee, would have provided for similar investigation.

(In his speech of January 12, 1955 to the legislature Governor James F. Byrnes expressed concern over the financial condition of the South Carolina Public Service Authority indicating that he had received reports to the effect that the Authority had been operating at a deficit for the past year and that the deficit was expected to continue for a number of years to come. He indicated that the reports of the size of the deficit varied from \$750,000 to \$1,388,799 for the current year. He stated "the explanation given to me by several directors and the consultant is that the authority has contracted to sell power to its customers for much less than it is able to produce and much less than it is paying for power purchased from Clark's Hill Authority...Therefore, I recommend that an appropriate committee investigate the authority to determine whether or not this year and in the years immediately ahead of us it will be able to meet its financial obligations and the customary payment to the State of \$200,000 annually, and if not, the reason for such inability to meet its obligations. The committee should recommend such remedial legislation as it may deem wise.")

Municipalities - Extension of Corporate Limits - S. 112, approved April 29, 1955, Act 190, adds Section 47-19.3 to the Code of Laws of South Carolina, 1952, providing for an alternate method of extending the corporate limits of a municipality. Under this section if the territory to be annexed belongs to the municipality seeking its annexation, and is adjacent thereto, the territory may be annexed by resolution of the governing body of the municipality. Where the territory belongs to the county in which the municipality is located it may be annexed by resolution of the governing body of the municipality and the governing body of the county. Upon the adoption of the resolutions and passage of an ordinance to that effect by the municipality, the annexation shall be complete and an election shall not be required.

Pending

Rural Electric Cooperative Act - Definition of "Rural Area" - S. 139, pending in Senate Rural Electrification Committee after being favorably reported, recommitted, reported favorably again with amendments and recommitted, and H. 1539, pending in House Committee on Military, Public and Municipal Affairs, would amend item (1) of Section 12-1002, Code of Laws of South Carolina, 1952, relating to rural electric cooperatives to further define the term "rural area". These bills would provide that it shall include any area not included within the boundaries of any incorporated or unincorporated city, town, village or borough having a population in excess of twenty-five hundred persons "at the time a cooperative commenced or commences to operate electrical facilities or to furnish electric energy in such area; and no change in the population of a rural area as defined herein, regardless of the reason for such change, shall operate to affect in any way its status as a rural area for the purposes of this act."

Rural Electric Cooperative Act - Powers of Electric Cooperatives - S. 138, pending in Senate Rural Electrification Committee after being favorably reported, recommitted, reported favorably again with amendments and recommitted, and H. 1540, pending in House Committee on Military, Public and Municipal Affairs, would amend item (1) of Section 12-1025, Code of Laws of South Carolina, 1952, relating to the powers of rural electric cooperatives so as to allow such cooperatives to continue to operate in areas which cease to be rural areas. S. 138, as amended, would permit electric cooperatives to continue to furnish electric energy and extend its facilities within such areas except "where such a rural area is annexed within the corporate limits of a city or town, the cooperative shall not extend its facilities more than four hundred feet beyond its existing facilities, as its facilities existed at the time of annexation." Sections 2 and 3 of these bills, as amended, would provide for payments by the cooperative of certain fixed sums to such cities or towns in lieu of all taxes and license fees. Section 2 pertains to payments in towns whose residents are being supplied electric energy by a private utility and Section 3 pertains to payments in towns which operates its own electric facilities. (S. 138 was reported to the floor of the Senate on March 17, 1955 after being recommitted, with amendments recommended by the Committee. The bill was debated on March 22 and March 23. An amendment was offered and then withdrawn by Sen. Williams which would have added Section 4 making all rural electric cooperatives subject to all laws, rules and regulations of the Public Service Commission and Section 5 making rural electric cooperatives liable for all State, county and municipal taxes as are other similar public utilities. A point of order was raised against the bill that it proposed to raise revenue and such legislation cannot be introduced or originated in the Senate. Further discussion of the bill and the point of order was postponed. The bill was again ordered recommitted to the Senate Committee on April 21, 1955.)



1955 Alabama Legislation - Final Report
 Session: May 3 to September 2, 1955
 First Special Session: January 25 to February 24, 1955
 Second Special Session: March 4 to April 8, 1955
 Third Special Session: April 13 to July 21, 1955

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Alabama.

Legislation Considered

Electrification

Enacted

Electric Systems - S. B. 242, approved September 9, 1955, Act 494 amends Title 37, Code of Alabama 1940, Sections 308-10, 312-15, 327, 329 and 340, providing for the merger of county and municipal utilities.

Hydroelectric Projects - H. B. 62, approved September 9, 1955, Act 539, authorizes the creation of a public corporation within each county in the state which shall have the power to construct, lease, own and operate irrigation projects, hydroelectric power producing projects, sell water and water rights and have certain other powers and duties.

Electric Power - Marion County - H. B. 631, approved July 29, 1955, Act 189, authorizes the organization of a public corporation in Marion County for the purpose of acquiring, constructing, leasing, etc. irrigation projects, hydroelectric projects and selling water and water rights.

Hydroelectric Tax - Marion County - H. B. 632, approved July 29, 1955, Act 190, amends Act 58 of 2nd Special Session, 1955 relating to Marion County to change the method and purpose of distribution of revenues arising from the privilege tax levied on electric and hydroelectric public utilities.

Failed

Electric Cooperatives - Disposition of Property - H. B. 644, died in House, and S. B. 260, died in Senate, would have amended Section 51, Title 18 of the Alabama Code 1940, relating to the disposition of property of an electric cooperative by providing that the board of trustees without authorization by the members shall have full power to authorize "the sale, lease or other disposal of any and all of the property, assets, rights, privileges, licenses, franchises and permits of the cooperative, wherever situated, to any county, municipality, public corporation organized under the provisions of Act No. 175 adopted by the 1951 Regular Session of the Legislature of Alabama, approved June 29, 1951, or a district electric corporation organized under the provisions of Act No. 158 adopted by the 1943 Regular Session of the Legislature of Alabama, approved June 15, 1943."

(These bills were sponsored by the Alabama League of Municipalities. They were withdrawn when the Alabama Rural Electric Association made known its objections to them.)

Public Service Commission - Regulation of Electric Membership and Electric Cooperative Corporations - H. B. 156, died in House Judiciary Committee, would have provided for the regulation of electric membership corporations and electric cooperatives by the Alabama Public Service Commission. The bill would have given the commission complete jurisdiction over all phases of operations of cooperative and membership corporations.

(The Alabama Rural Electric Association opposed this legislation and after numerous conferences with the bill's sponsor it was permitted to die in committee.)

Taxation - Electric Power - H. B. 99, died in House, would have levied an additional license or privilege tax of 2 mills per kilowatt hour upon manufacturers and sellers of electric power. The revenues which would have been derived from this tax were to have been used exclusively for old age pension purposes.

Sales Tax - Repeal of Electric Cooperative Exemption - H. B. 208, died in House, as originally introduced, contained a provision repealing exemption of electric cooperatives from the 3% sales tax on retail sales. The substitute bill reported by the House Ways and Means Committee did not contain this provision.

(Representatives of the REA cooperatives attended the committee hearings on this bill which with several other tax bills was a part of the Governor's program to assist education. In lieu of this bill, H. B. 683, Act 239 and H. B. 788, Act 327 were passed by the Legislature. Act 239 provides for submission of a constitutional amendment relating to income tax and Act 327 provides for raising revenues for educational purposes.)

Electrification and Telephone Enacted

Tax Study - H. J. R. 50, approved August 8, 1955, provides for the appointment of a five member legislative tax study committee appointed by the Speaker of the House and the President of the Senate to make a complete and detailed study of all the revenue laws of the State of Alabama, exclusive of local tax laws, and to make a report of its findings for the improvement of the States revenue system. The committee's report and its recommendations are to be filed not later than the 10th legislative day of the 1957 regular session of the Legislature.

Failed

Utility Regulation - H. B. 315 and H. B. 780, died in House, related to regulation of utility systems.

Telephone
Failed

Taxation - Telephone Service - H. B. 442, died in House, would have authorized municipalities "to impose an excise tax on local exchange telephone service, in an amount not to exceed three percent on service furnished within the corporate limits and in an amount not to exceed one and one-half percent on local exchange telephone service furnished within the police jurisdiction." The bill would have provided that the tax be collected from the purchaser of such service.

- H. B. 319, died in House, would have provided for a license tax on telephone companies.

Note: The Alabama legislature held three special sessions, as indicated above. The legislature is limited to consideration of subjects listed in the Governor's Call. The first session was called to consider legislation relating to road construction and taxation of motor vehicles; the second session -- old age pensions and taxation, and the third session -- providing for a constitutional convention.

1955 Mississippi Legislation - Final Report
 Second Special Session: January 11 to April 7, 1955

Legislative Program

Electrification and Telephone

REA borrowers in Mississippi did not sponsor legislation at this session.

Legislation Considered

Electrification

Failed

Taxation - Repeal of Electric Cooperative Sales Tax Exemption - H. B. 14, died in House, would have amended Sec. 9700, Miss. Code of 1942, by deleting exemption of cooperative power associations from sales tax.

- S. B. 1285, died in Committee, would have amended Sec. 16, H. B. 17 (see below) to eliminate the exemption from sales tax (1) on property or services otherwise taxable to rural electric associations "when such property or services are for use in the continuation, maintenance and operation of their distribution systems"; and (2) on sales of water, gas and electricity by municipal systems.

Electric Power Rates - Investigation - H. C. Res. 4, died in House, would have established a joint legislative committee to examine the status and background of electric power rates in Mississippi and to make recommendations concerning same.

Electrification and Telephone

Enacted

Sales Tax - Increase and Exemptions - H. B. 17, approved February 28, 1955, Chap. 109, and effective March 1, 1955, amends the Mississippi Sales Tax Act as follows: amends Sec. 10109, 1942 Code as amended, by increasing from 2% to 3% the tax on gross income from consumers of electricity (other than industrial as to which the existing 1% tax was unchanged) and on the gross income from intrastate telephone business; amends Sec. 10110, as amended, by increasing the tax on contractors from 1% to 1½% of the total contract price on the gross compensation when over \$3,000; and amends Sec. 10116 by adding new exemptions of sales of water, gas and electricity by municipal plants, and of sales of property and service to rural electric associations "when such property or services are for use in the construction, maintenance and operation of their distribution system." (Note S. B. 1286, above which would have repealed this new section, and H. B. 14, above which would have repealed the general exemption from sales tax of electric cooperatives.)

Telephone

Failed

Tax on Toll Calls - S. B. 1237, died in Senate, would have levied a 10% tax on long distance telephone calls originating in Mississippi.

Tax Assessment of Public Service Corporations - Procedure - S. B. 1259, died in Committee, and H. B. 164, unfavorably reported and died in House, would have amended Section 3742-04, 1942 Code as amended, by providing a new method of municipal assessment of property of public service corporations.

1955 Tennessee Legislation - Final Report
Session: January 3 to March 18, 1955

Legislative Program

Electrification and Telephone

No legislative program was developed by REA borrowers in Tennessee.

Legislation Considered

Electrification

Enacted

Certificates of Convenience and Necessity - Electric Utilities - H. B. 1067, approved and effective March 25, 1955, Chap. 325, requires that persons, firms and corporations engaged in the generation, transmission or distribution of electric power obtain certificates of public convenience and necessity from the Railroad and Public Utilities Commission before extending or constructing transmission or distribution lines or other works into or within the State for the purpose of delivering within the State electric power generated at a point or points outside the State. Section 2 specifically exempts cooperative associations organized under the Electric Cooperative Act or the Electric Membership Corporation Act from the provisions of this act. S. B. 810, same as H. B. 1067, died in Senate. (This law was enacted to prevent delivery into Tennessee of electricity to be generated at the proposed Dixon-Yates plant which would have been located at West Memphis, Arkansas.)

High Voltage Lines - Accident Prevention - S. B. 875, approved and effective March 22, 1955, Chap. 289, provides for precautions to be taken in the proximity of high-voltage lines for the prevention of accidents. The act defines high-voltage lines to mean lines with a "voltage in excess of 750 volts between conductors or from any conductor to ground". Section 3 requires that a six-foot clearance be provided between such lines except where the lines have been effectively guarded against the danger of accidental contact either by the erection of mechanical barriers or by de-energizing the conductors. Section 5 provides that "when any operations are to be performed, tools or materials are to be handled, or equipment is to be moved or operated, within six feet of any high-voltage line, the person or persons responsible for the work to be done, shall promptly notify the operator of the high-voltage line of the work to be performed and such person shall be responsible for the completion of the safety measures ... before proceeding with any work which would impair the aforesaid clearance." The act is to be enforced by the Commissioner of Labor and violators of its provisions shall be guilty of a misdemeanor. The provisions of this act are not to apply to "the construction, reconstruction, operations, and maintenance of overhead electrical conductors and their supporting structures and associated equipment by authorized and qualified electrical workers; nor to the authorized and qualified employees of any person, firm or corporation engaged in the construction, reconstruction, operation, and maintenance of overhead electrical circuits or conductors and their supporting structures and associated equipment of ... electrical generating, transmission, distribution, and communication systems." H. B. 870, same as S. B. 875, died in House.

Electrical Safety Code - State Fire Marshal - Rules and Regulations -
H. B. 638, approved and effective March 3, 1955, Chap. III, amends and reenacts paragraph (a) of Section 5712.24 of the Supplement to the Code of Tennessee, 1950, to require the State Fire Marshal in adopting regulations to follow the standards consistent with those adopted in the National Electrical Safety Code and similar codes approved by federal or state bureaus, national technical organizations or fire underwriters, etc. S. B. 510, same as H. B. 638, died in Senate.

Failed

Municipal Utilities - Furnishing Electricity Beyond City Limits - H. B. 702, died in House, and S. B. 597, died in Senate, would have classified as a "public utility" any municipality furnishing electricity outside of its city limits.

Electrification and Telephone

Enacted

Public Service Commission - S. B. 271, approved and effective February 28, 1955, Chap. 69 changes the name of the Railroad and Public Utilities Commission of Tennessee to the "Tennessee Public Service Commission". H. B. 346, same as S. B. 271, died in House.

Failed

Utility Poles - Highway Rights-of-Way - H. B. 716, withdrawn from House and S. B. 615, died in Senate, would have required written consent from county judges for any utility to locate, repair or relocate telephone or electric poles, etc. ... on public road or highway rights-of-way. If the installation was to be made over a road of the State Highway System the approval of the Commissioner of Highways and Public Works of the State of Tennessee would also have been required. The bill also provided that the permit to be issued by County Judge contain a provision that it shall be terminated when "in the opinion of the County Judge ... the facilities or obstructions covered by such permit interfere with the use, maintenance or reconstruction of the public road or highway" and the owner of the facilities would have been required to remove them at his own expense.

Highway Right-of-Way - Protection of Vegetation - S. B. 51, died in Senate and H. B. 65, died in House, would have made it "unlawful for any person, firm, corporation or association to cut, trim, spray with poison, burn, or in any manner injure, damage or destroy any tree, shrub, flower or vegetation on or along the right-of-way of any State Highway ... without first obtaining permission in writing to do so from the Commissioner of Highways and Public Works ... or from the County Judge of the county in which the county road is located ..."

Telephone
Enacted

Telephone Cooperatives - Sales Tax Exemption - H. B. 292, approved March 28, 1955 and effective April 1, 1955, Chap. 340, amends Section 1248.61 of the 1950 Supplement to the Code of Tennessee relating to the Retailers' Sales Tax Act by adding the following paragraph:

"There shall also be exempt from the provision of this Act all sales of tangible personal property to telephone cooperatives organized under the general welfare laws of this State. The exemption provided for herein shall apply only to sales of tangible personal property to telephone cooperatives for their own use and consumption, and shall not apply to any purchases made by the said telephone cooperatives for use by independent contractors."

Section 2 of the Act provides that it shall apply only so long as electric membership corporations organized under the Electric Membership Corporation Law and electric cooperatives organized under the Electric Cooperative Law shall be entitled to an exemption from the payment of any Sales and Use Tax. S. B. 235, same as H. B. 292, died in Senate.

Telephone Party Lines - Emergency Calls - S. B. 299, approved and effective March 21, 1955, Chap. 272, makes it a misdemeanor for any person using a party line telephone or public-pay telephone to refuse to relinquish such telephone when requested to do so in order to permit another person to place an emergency call to a fire department or police department, or for medical aid or ambulance service, and requires that a copy of the act be printed in each telephone directory published after the effective date of the act. H. B. 423, same as S. B. 299, died in House.

Failed

Public Utility Companies - Mergers - H. B. 383, died in House and S. B. 344, died in Senate, would have required that no public utility company organized under the laws of Tennessee shall lease or sell its property and franchises in the state or merge or consolidate with any domestic or foreign corporation without the affirmative vote of the holders of all the shares of the capital stock. The bill would have also authorized the Railroad and Public Utilities Commission to approve such sale, lease or merger upon a finding that it is in the public interest and fair to the minority stockholders of the company.

Domestic Corporations - H. B. 50, vetoed by the Governor, March 24, 1955, and S. B. 147, died in Senate, would have amended Sections 3714, 3721 and 3723 of the Code of Tennessee relating to corporations by permitting the certificate of incorporation to authorize the board of directors to establish the "distinguishing characteristics of any class or series of preferred stock".

1955 Indiana Legislation - Final Report
Session: January 6 to March 7 (9), 1955

Legislative Program

Electrification

Indiana Statewide Rural Electric Cooperative, Inc., cooperated with other utilities in drafting and sponsoring legislation to eliminate the 50-foot length limitation for pole trailers operated by public utilities. (See H. B. 78, below.)

Telephone

The State Association sponsored an amendment to the Rural Telephone Cooperative Act to impose upon rural telephone cooperatives the same penalties for territorial infringement which are imposed upon other telephone companies for similar infringement. (See H. B. 186, below.)

Legislation Considered

Electrification and Telephone

Enacted

Utility Pole Trailers - H. B. 78, approved and effective March 7, 1955, Chapter 56, amends Section 47-530(3), Burns Indiana Statutes, relating to the use of highways by providing an exception to the fifty foot length limitation for pole trailers operated by public utilities while such trailers are being used in connection with utility services.

Failed

Utilities - Labor Relations - S. B. 180, died in Senate and H. B. 187, died in the House, would have repealed the Public Utilities Compulsory Arbitration Law of 1947.

Public Service Commission - Utility Valuation - H. B. 413, died in House, would have prohibited the Public Service Commission from using good will, going value or natural resources in determining utility value. The bill would have permitted the PSC to consider actual cost less depreciation.

Engineering - Licensing - H. B. 155, died in House, would have amended Sections 63-1518, 63-1529, 63-1530, 63-1537, and 63-1547 Burns Indiana Statutes, so as to increase the requirements for qualification and registration of engineers and land surveyors.

Public Utilities - S. B. 205, died in Senate, would have permitted public utilities furnishing like services or products doing business in the same municipality or locality to enter into contracts for the

providing of services or for borrowing money.

Minimum Wages - H. B. 565, died in House, would have established a minimum wage of 75 cents an hour for certain types of employees not engaged in interstate commerce.

Telephone Enacted

Rural Telephone Cooperative Act - Territorial Infringement - H. B. 186, approved and effective March 8, 1955, Chapter 89, amends Section 55-4521, Burns Indiana Statutes, to impose on rural telephone cooperatives the same penalties for infringement on territory of other telephone corporations as is imposed upon such corporations for infringing on territories of telephone cooperatives.

(This amendment was sponsored by the Indiana Statewide Rural Electric Cooperative in order to forestall the possibility of this section being held unconstitutional. Section 21 as originally enacted in 1951 contained language similar to that in Section 18 of the Rural Electric Membership Corporation Act which was held to be unconstitutional by the Indiana Supreme Court in Evansville and Ohio Valley Railway Co. vs. Southern Indiana REMC, 231 Ind. 648. At the request of several telephone cooperatives, Harvey B. Hartsock, attorney for the Statewide, drafted this amendment which is similar to the amendment he prepared in 1951 of Section 18 of the REMC Act.)

Telephone Company - Mortgages - S. B. 327, approved and effective March 9, 1955, Chapter 193, authorizes any telephone company with less than 5,000 subscribers to mortgage the property of the company "to secure an indebtedness of such telephone company to the United States of America or an agency or instrumentality thereof" upon authorization by its board of directors and by giving due notice in newspapers.

(REA telephone loan applicants had been having difficulty in complying with the requirement of the Indiana Public Utilities Law that no public utility shall encumber its property without the consent and approval of the owners of 3/4ths of its voting stock, Sec. 54-510, Burns Indiana Statutes. The above bill was introduced to simplify the mortgage procedure for REA telephone borrowers.)

Not-for Profit Corporations - Directors Meetings - S. B. 224, approved and effective March 11, 1955, Chapter 277, permits a corporation organized under the Indiana General Not for Profit Corporation Act to reduce the quorum requirement for meetings of its board of directors from a majority of the entire board to not less than 1/3 of the total number of directors and to not less than 2.

Telephone - Party Lines - H. B. 199, approved March 10, 1955, Chapter 218, makes it unlawful for any person using a party-line telephone to refuse to yield the line upon request of a person who wishes to place an emergency call from a telephone on such party-line.

Failed

Rural Telephone Companies - Receivers - H. B. 331, died in House, would have provided for the appointment of receivers in certain cases involving rural telephone companies.

1955 Michigan Legislation - Final Report
Session: January 12 to July 15, 1955

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Michigan.

Legislation Considered

Electrification

Failed

Electrical Administrative Board - S. B. 1091, died in Senate and H. B. 56, died in House, would have provided for: the creation of an electrical administrative board with authority to establish minimum standards for electrical equipment and its installation; inspection of electrical installations and equipment and charging fees for same; appointment of electrical inspectors; licensing of electricians and electrical contractors including "rural electrical contractor" which is defined to mean "an electrical contractor having no journeyman electricians in his employ and confining his work to rural areas"; establishment by any municipality of rules and regulations for inspection of electrical installations and equipment and the enforcement of same; making it unlawful "for any person, firm or corporation to install any electric wiring, devices, appliances or appurtenances for the generation, distribution and utilization of electrical energy within or on any building without being duly licensed by the state as an electrical journeyman or electrical contractor and securing a permit from the board or municipal authority"; exemption of townships of less than 7,500 population unless they elect to be covered, etc. (These bills are similar to legislation which has been introduced at the last four sessions of the Michigan legislature, all of which failed of enactment)

Electrification and Telephone

Enacted

Business Receipts Tax - H. B. 416, effective July 1, 1955, Public Act 282, amends the 1953 business receipts tax act and increases the tax rate on the adjusted receipts of public utilities "derived from or attributable to Michigan sources" from one mill to one and one-half mills. (As originally introduced the bill would have increased this rate to 2 mills. S. B. 1428, died in House, would have amended the business receipts tax act and provided for increasing the rate on public utilities to one and one-fourth mills.)

Public Service Commission - S. B. 1324, approved and effective June 13, 1955, Public Act 172, amends Section 460.6a of the Compiled Laws of 1948 (Section 22.13(6a) Michigan Statutes Annotated) relating to the public service commission and the notice required from utilities of proposed rate increases by authorizing the public service commission to permit "the incorporation of fuel adjustment clauses in rate schedules for service other than domestic service pursuant to notice and hearing thereon."

Utility Right-of-Way - Slash Disposal - H. B. 132 approved April 15, 1955 and effective October 14, 1955, Public Act 35, provides for the disposal of cuttings of forest growth, slash and debris resulting from the construction and maintenance of telephone, telegraph, power, etc. lines or other public utilities in a manner approved by the director of conservation or his authorized representative. Such cuttings are to be disposed of within 30 days.

Telephone
Failed

Telephone Companies - Service - H. B. 205, died in House, would have added a new section to Section 484.51 of the Compiled Laws of 1948, by providing that any person desiring telephone service may petition the public service commission for an order requiring such service from any company within whose territory he may reside. "Upon receipt of any such petition, the commission shall set the same for hearing and shall cause proper notice thereof to be given to such persons and to the telephone company concerned. Any order of the commission issued pursuant to this act shall be subject to review in the manner now provided for by law for review of orders of the Michigan public service commission. In no case, however, shall any injunction or other order issue suspending or staying any order of the commission except after due notice to the commission and a reasonable opportunity for hearing thereon."

- H. B. 292, died in House, would have amended Section 484.103 of the Compiled Laws of 1948, relating to the furnishing of service by telephone companies, by providing that the public service commission "shall not permit an increase in the charges for telephone service in any exchange or exchanges of any telephone company wherein the service being rendered does not comply with any duly issued rule or order prescribing standards for such service. In determining the reasonableness of any rates or charges for any service rendered, furnished or performed, or to be rendered, furnished or performed within the state by any telephone company, the commission shall consider, among other things, the quality of the service rendered, furnished or performed, or to be rendered, furnished or performed by such telephone company."

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First Special Session: November 1 to November 4, 1955
Second Special Session: November 7 - (still in session Dec. 5, 1955)

The legislature was called into the first special session to consider legislation relating to teacher's pay raises, highway safety and health. The second special session was called to consider legislation dealing with health. Special sessions are limited in their consideration to subjects listed in the Governor's call. A final report of the action taken at the second special session will be made after it has adjourned.

1955 Ohio Legislation - Final Report
Session: January 3 to July 13(14), 1955

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Ohio.

Legislation Considered

Electrification
Failed

Sales Tax - Exemption of Sales by Rural Electric Company - H. B. 328, passed House but failed in Senate, would have amended Section 5739.02(B)(9) by exempting from the sales tax sales of electricity by a rural electric company.

Electrically Charged Fences - H. B. 497, died in House, would have amended Section 971.03, Ohio Rev. Code, by prohibiting the use of electrically charged fences without the written consent of the adjoining owner.

Gross Receipts Tax on Electric Energy - Exemption - S. B. 351, died in House, would have excluded inter-utility sales of electric energy from the gross receipts tax.

Electrification and Telephone
Enacted

Corporation Law, Revision - H. B. 70, law without approval on June 14, 1955, effective October 11, 1955, completely recodifies the General Corporation Law (Sec. 1701.01 to 1701.99 incl.), the Non-Profit Corporation Law (Sec. 1702.01 to 1702.99 incl.), and the statutory provisions dealing with foreign corporations. Several new provisions affecting REA borrowers are included in the recodification.

Utility Service to Public Agencies - S. B. 350, effective September 29, 1955, adds Section 9.30 to the Ohio Revised Code, providing that public agencies may acquire utility services at the rate on file with the Public Utilities Commission, "or the applicable charge established by a utility operating its property not for profit" where such service is not available from alternate utilities, without advertising for bids and without notice.

Mortgages - Real Estate and Personal Property - Identification of Person Preparing Same - H. B. 227, effective October 5, 1955, enacts Section 317.111, Ohio Rev. Code, imposing as a condition to receipt for recording or filing by the county recorder of instruments conveying or encumbering real estate or personal property that the name of the person and governmental agency, if any, preparing the instrument appear at the conclusion thereof; does not apply to instruments executed or acknowledged outside of state.

Renewal of Mortgage Liens on Real Estate - S. 137, effective September 30, 1955, amends Section 5301.30, Ohio Rev. Code, providing that the lien of a mortgage on real estate expires as against subsequent bona fide purchasers, mortgagees, etc. if the mortgage remains unsatisfied or unreleased of record for more than 21 years after the date of the mortgage or after the stated maturity date of the principal sum, whichever is later, unless the creditor refiles the mortgage or a sworn copy together with an affidavit stating the balance due and the due date as extended. Such refiling constitutes constructive notice only for 21 years after refiling or after the stated maturity of the debt whichever is longer.

Public Utilities Commission - Assessment for Maintenance - H. B. 179, approved April 7, 1955, effective July 7, 1955, amends Section 4905.10, Ohio Rev. Code, by continuing for fiscal 1955 and 1956 the assessment against railroads and public utilities for the purpose of maintaining and administering the commission.

Gross Receipts Tax on Utilities - H. B. 200, approved and effective April 30, 1955, amends Section 5727.81, Ohio Rev. Code, by continuing for fiscal 1955, 1956, 1957 the .65% excise tax on gross receipts of electric light, telephone and other utilities for poor relief and other welfare purposes.

Airport Zoning Act - H. B. 812, effective October 5, 1955, enacts Sections 4563.01 to 4563.99 inclusive, Ohio Rev. Code, an airport zoning act which regulates the maintenance of hazardous structures near airports. Structures are defined specifically to include overhead transmission lines.

Professional Engineers - H. B. 20, effective September 21, 1955, amends Sections 4733.08, 4733.15 and 4733.18 dealing with registration of professional engineers, including the addition of an exemption from the registration requirements of electric officers of political subdivision of the state practicing engineering or surveying in the performance of their official duties.

Uniform Commercial Code - S. J. Res. 20 directs the Ohio Legislative Service Commission to study the Uniform Commercial Code, and if deemed advisable, to draft and submit legislation, and report thereon on or before January 10, 1957.

Failed

Transportation of Poles - S. B. 64, passed Senate, died in House, would have amended Section 5577.05, Ohio Rev. Code, limiting width, height and length of vehicles operating on public highways, by exempting pole trailers used in the transportation of wooden poles.

Compensation for Utility Relocation - H. B. 806, died in House, would have enacted Section 6103.31, Ohio Rev. Code, providing for restoration or repair of, or compensation for all public and private property damaged or destroyed in constructing, changing the grade or resurfacing roads, streets, highways, or alleys by any political subdivision.

- H. B. 811, died in House, would have enacted Section 6117.41, Ohio Rev. Code, making the same provision as H. B. 806, above.

Gross Receipts Tax on Utilities - H. B. 479, died in House, would have increased the gross receipts tax on utilities for poor relief.

Municipal Excise Tax on Utilities - H. B. 517, died in House, would have enacted Section 5727.85, Ohio Rev. Code, to authorize municipal corporations to levy and collect from users or consumers an excise tax for the support of governmental functions of not more than 6% on the net rates charged for service furnished by any privately or publicly owned utility located or operating within the municipal limits.

Public Utilities Commission - Procedure in Rate Cases - H. B. 2, died in House, would have amended Sections 4909.04 et als, Ohio Rev. Code, to revise the procedure in rate cases, including a requirement that fair value be determined.

- H. B. 271, died in House, would have amended Sections 4909.06 et als, Ohio Rev. Code, to revise the procedure in rate cases.

- H. B. 442, died in House Committee, would have amended Sections 4909.15 and 4909.32 relative to procedure in rate cases, by defining "just and reasonable rates".

- Public Service Administration - H. B. 94, died in House, would have enacted Section 4901.021, Ohio Rev. Code, to establish the office of Public Service Administrator to conduct all investigations for the commission, and would have amended the public utility law to provide for the administration of the new office and functions.

- Former Members and Employees - H. B. 844, died in House, would have prohibited former members or employees of the Commission from appearing in any proceeding before the Commission, or appeal therefrom, involving any matter with which he was connected, for a period of two years after leaving the Commission.

- H. B. 904, died in House, would have prohibited a public utility from employing any former member of the Commission for a period of two years after termination of service.

- Investigation - H. B. 303, died in House, would have established a joint legislative commission to investigate the activities of the Public Utilities Commission in rate cases, and the feasibility of legislation to prohibit retired members of the Commission from accepting employment with a utility company for a period of five years after termination of service in Commission.

- H. J. Res. 16, died in House, would have established a joint legislative commission to investigate the Public Utilities Commission and determine the validity of charges of bias toward the utilities and consider the feasibility of barring employment by a utility company of any member of the Commission for a period of five years after termination of service.

Telephone
Enacted

Telephone - Party Lines - S. B. 102, approved March 31, 1955 and effective June 30, 1955, enacts Section 4931.30, Ohio Rev. Code, requiring the yielding of a party line in an emergency and the publication in every telephone directory hereafter distributed of notice of this requirement; amends Section 4931.99 to impose penalties for violation. (H. B. 169, on same subject, died in House.)

Personal Property Tax - Exemption - S. B. 107, effective September 30, 1955, amends Section 5701.08, Ohio Rev. Code, of the tax law by including in the exemptions from "personal property--used in business", machinery and equipment classifiable upon completion as personal property while under construction or installation to become part of a new or existing plant or other facility until it is installed and in operation or capable of operation in the business for which acquired.

Failed

Limitation of Number of Parties on Line - H. B. 463, died in House, would have amended Section 4905.23, Ohio Rev. Code, by providing that on and after January 1, 1957, it shall be deemed prima facie evidence of inadequate service for more than four persons to be served on any one telephone line. The present law makes it prima facie evidence of inadequate service on and after January 1, 1955, if more than 10 persons are served from one line. The section does not apply to companies serving less than 500 telephones.

1955 West Virginia Legislation - Final Report
Session: January 12 to March 14(16), 1955
First Special Session: May 9 to May 13, 1955

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in West Virginia.

Legislation Considered

Electrification

Failed

Electricity - Taxation - H. B. 532, died in House would have made sales of electricity, gas, water, etc. subject to the consumers sales tax.

Electrification and Telephone

Failed

Utility Rates - H. B. 98, died in House, would have provided for review of utility rates by public service commission.

1955 Illinois Legislation - Final Report
Session: January 5 to June 30, 1955

Legislative Program

Electrification

The Association of Illinois Electric Cooperatives at the request of its District 9 membership was asked "to investigate the propriety of sponsoring a 'Rural Electric Cooperative Act'" in Illinois. REA, at the request of the State Association, furnished a list of some 28 States which over the years had enacted a form of the model Electric Cooperative Act. At that time it was pointed out that the Illinois cooperatives had been operating for many years without experiencing difficulties under the 1872 Not for Profit Corporation Act and also under the General Not for Profit Corporation Act which was enacted in 1944. This latter act was amended in 1953 to permit the organization of telephone cooperatives. No action was taken at the 1955 session of the legislature to introduce a model Electric Cooperative Act. The State Association was requested on March 15, 1955 by resolution adopted at a meeting of District 9 to continue its study of this subject.

Electrification and Telephone

REA brought to the attention of the State Association the problem relating to chattel mortgages encountered under present law which requires that to maintain the lien on personal property new chattel mortgages must be prepared and filed at five year intervals. In this connection the State Association did not undertake to sponsor legislation at the 1955 session. Mr. Sam G. Jenkins, Counsel for the Association indicated that this matter would be given further study.

Legislation Considered

Electrification

Enacted

Atomic Power Investigating Commission - S. B. 577, approved July 6, 1955, provides for the creation of an Atomic Power Investigating Commission of 12 members to be appointed by the Governor. The Commission is to be made up of 3 members from the General Assembly, 3 citizens representing industry, 3 citizens representing labor and 3 citizens representing science and technology. The Commission is directed to "make a thorough investigation and study of the economic and social impact that the civilian use of atomic power may have on the citizens of this State" and submit a report to the Governor and the 70th General Assembly prior to March 1, 1957.

Failed

Public Utility - Definition - S. B. 389, died in Senate, would have extended the term "public utility" as contained in the public utilities act to include the business of sewerage disposal and to include persons who "sell or propose to sell or furnish water, electricity or other energy or convey gas by pipe line either directly to any consumer or consumers within the State of Illinois for his, its or their domestic, commercial or industrial use, or directly to any persons or corporation for resale in the State of Illinois."

(Upon review of the above bill, REA advised the State Association that the proposed language appeared sufficiently broad so that it could be interpreted

as including electric cooperatives and thus make them subject to the jurisdiction of the Commerce Commission. A. E. Becker, manager of the State Association conferred with Senator Little, sponsor of the bill, and learned that this legislation had been introduced at the request of the Commerce Commission. The Secretary of the Commission consulted with the Attorney General's Office and they concluded that the bill would make the electric cooperatives subject to the jurisdiction of the Commerce Commission.

Inasmuch as it was not the intention of the bill sponsors to change the present status of electric cooperatives it was planned to amend this bill accordingly. Instead the bill was permitted to die in the Senate and Senator Little introduced a new bill, S. B. 813 which related only to the business of sewerage disposal.)

Municipal Utilities - Service Beyond Corporate Limits - S. B. 385, died in Senate, would have amended Section 38 of the public utilities act to provide that utility services furnished or rendered by a municipal corporation beyond its political or corporate limits shall be subject to regulation and control by the Illinois Commerce Commission. The bill contained a proviso that it would not be applicable to sales for resale.

Electrification and Telephone

Enacted

Utilities - Taxation - S. B. 750, approved July 14, 1955, amends the Cities and Villages Act by adding Section 23-113 to permit the imposition of a tax of not to exceed 5% of the gross receipts upon public utilities doing business within the corporate limits of the municipality. The tax would be applicable to electric, telephone, telegraph, gas and water companies. The tax would be applicable to all business originating within the municipality but interstate transactions are excepted. (Also see S. B. 788, below.)

Utilities - Discontinuance of Service - S. B. 304, approved June 15, 1955, amends Section 49a of the public utilities act to provide that during time of war, invasion, insurrection or martial law, or because of catastrophe, emergency, shortage of fuel, supplies or equipment, the Commerce Commission, after a hearing, may authorize or require any public utility to curtail or discontinue service to individual customers or classes thereof and otherwise regulate the furnishing of services to the extent necessary for the convenience of the public.

Public Utilities - Franchises - S. B. 485, approved June 15, 1955, amends Section 28 and adds Section 28a to the public utilities act to provide that public utility companies owning or operating a public utility system situated partly in Illinois and partly in an adjoining state or states shall be excepted from the provision that no franchise, license, permit or right to own, operate, manage or control any public utility shall be hereafter granted or transferred to any grantee or transferee other than a corporation duly incorporated under the laws of Illinois. The act also exempts public utilities which have been incorporated or organized under the laws of another state, or of the United States. In case of acquisition by a foreign corporation of the property of a public utility incorporated under the laws of Illinois there is imposed an annual payment equal to the amount of taxes formerly levied against the assessed valuation of the capital stock of such Illinois public utility which payment is to be made to the taxing district within which the office of the Illinois public utility was located.

Public Utilities - Easements - H. B. 206, approved June 9, 1955, amends Section 27 of the public utilities act by providing that the Illinois Commerce Commission may by rule waive the requirement for filing and necessity for approval of easements or licenses with an annual payment of less than \$2,500.

Public Utilities - Contracts - S. B. 303, approved June 23, 1955, amends Sections 8a and 27 of the public utilities act to authorize the Illinois Commerce Commission to adopt rules waiving the necessity for the Commission to approve certain enumerated contracts made by public utilities and certain sales of property of a public utility.

Public Utilities - Customers Bills - S. B. 788, approved July 14, 1955, amends Section 36 of the public utilities act to provide that whenever a municipality pursuant to Section 23-113 of the Revised Cities and Villages Act (see S. B. 750, above) imposes a tax on any public utility, such utility may charge its customers, in addition to any rate authorized by this Act, an additional charge equal to the sum of (1) an amount equal to such municipal tax, (2) 3% of such tax to cover costs of accounting, and (3) an amount equal to the increase in taxes and other payments to governmental bodies resulting from the amount of such additional charge.

Public Utilities - Notice of Complaints - S. B. 729, approved July 7, 1955, amends Section 64 of the public utilities act by repealing the requirement that notices of hearings on complaints be made by registered mail.

Department of Conservation - Utility Easements - S. B. 540, approved July 11, 1955, amends Section 63a of the Civil Administrative Code by giving the Department of Conservation authority to grant public utilities right of way easements for utility lines over areas controlled by the Department.

Highway Relocation - Utility Lines - H. B. 511, approved July 11, 1955, amends Sections 6 and 9 of the State Highways Act by authorizing the Department of Public Works and Buildings to enter into agreements with any public utility concerning a relocation of its facilities where such relocation is incident to the construction of a new State highway or to the relocation, reconstruction, extension, widening, etc. of an existing State highway. The Department is also authorized to purchase, or to acquire through the exercise of eminent domain such easements, right, lands or other property as may be necessary for the relocation of said public utility facilities.

Failed

Illinois Commerce Commission - H. B. 475, died in House, would have provided for the creation of a commission to investigate the Illinois Commerce Commission and all public utility rates in Illinois.

Public Utilities Agency - S. B. 45, died in Senate, would have created the Public Utilities Agency. The Agency would have been authorized and directed to take appropriate steps before the Illinois Commerce Commission to resist any increase in rates or discontinuance or reduction of services by a public utility and in any case in which it has appeared before the Commission it may appeal a decision of the Commission or of a reviewing court in favor of the public utility when the Attorney General is of the opinion that the decision may be reversed, etc. The Agency would also have been authorized to inspect the plant and books of any public utility seeking a rate increase or the discontinuance or reduction of services.

- S. B. 46, died in Senate, would have appropriated funds for the operation of the Public Utilities Agency.

- S. B. 47, died in Senate, would have amended Sections 64, 68 and 68a and added 19a to the public utilities act to authorize the Illinois Commerce Commission to give the Public Utilities Agency, upon request, access to any reports and records it has concerning a public utility which seeks an increase in rates or the discontinuance or reduction of services.

Public Utilities - Application for Service - H. B. 290, died in House, would have added Section 49b to the public utilities act to provide that "every public utility shall, without investment cost to the user, furnish its services to every person residing within the territory serviced by the public utility who makes an application for such service. If the public utility to which such application is made fails to furnish its services to the applicant within 6 months after the date the application is received by the public utility, the applicant may apply to any other public utility, company, firm or corporation for such service."

Public Utilities - Inadequate Service - H. B. 883, died in House, would have amended Section 32 of the public utilities act to provide that where service is not adequate a public utility shall be held liable in a civil suit for damages resulting from such inadequate service.

Utilities - Rates - H. B. 1056, died in House, would have amended Section 36 of the public utilities act to provide that no public utility shall increase any rate or charge except upon a showing before the Illinois Commerce Commission and a finding by the Commission that such increase is justified.

- S. B. 830, died in Senate, would have amended Sections 36 and 41 of the public utilities act to provide that the Illinois Commerce Commission in establishing rates and other charges is not required to consider estimates of the reproduction costs, new or depreciated, of the property of the public utility.

Utility Rates - Public Counselor - H. B. 213, died in House, would have added Section 5a to the public utilities act to provide that the Governor appoint a public counselor who shall be entitled to appear before the Illinois Commerce Commission in all hearings as a representative of rate-payers, patrons and the public.

Utility Property - Valuation - H. B. 293, died in House would have amended Sections 20 and 21 of the Revenue Act of 1939 to provide that the full, fair cash value of the real and personal property of any public utility subject to regulation by the Illinois Commerce Commission shall not be less than the valuation placed on or approved for such property by the Illinois Commerce Commission for the purpose of establishing rates or charges to be made by the public utility.

Telephone

Failed

Telephone - Rates - H. B. 580, died in House, would have amended Section 32 of the public utilities act to require that intra-state telephone night rates shall be in effect between 6 p.m. and 7 a.m.

Telephone - Obscene Messages - H. B. 324, vetoed June 30, 1955, prohibits the use of telephone and telegraph lines for sending of messages which are obscene, lewd or immoral.

Coin Box Telephones - H. B. 492, vetoed July 11, 1955, would have prohibited the use of slugs and other unauthorized devices to operate coin box telephones and provided for penalties for such acts.

Minimum Wage - H. B. 134, died in Senate, would have amended the minimum wage act for women and minors to bring men under the provisions of the act and establish a minimum wage of 75 cents an hour. The bill would have added to the list of exempted occupations "telephone exchange work where there are no more than 750 subscribers."

1955 Iowa Legislation - Final Report
Session: January 5 to April 29(May 3), 1955

Legislative Program

Electrification and Telephone

REA borrowers in Iowa did not sponsor legislation at the 1955 session.

Legislation Considered

Electrification

Enacted

Electric Energy - Interchange - H. F. 43, approved March 23, 1955 and effective March 31, 1955, Chap. 199, amends Section 397.5, Code 1954, to permit cities and towns to enter into contracts for the interchange of electric energy for a period of not to exceed five years without securing the approval of the legal electors of said city or town.

Failed

Public Utilities Commission - H. F. 523, died in House, would have established the Iowa public utilities commission with authority to regulate utilities engaged in the production, generation, transmission, storage, distribution or furnishing of electricity, gas or steam. The bill would have exempted from the definition of "public utility" subject to the act "any public or municipal corporation or any cooperative corporation or association."

Sales Tax - Electric Power - H. F. 461, died in House, would have amended Section 422.42, Code 1954, relating to the definition of "retail sales" and "sales at retail" in order to provide for the taxation under the Iowa sales and use tax laws of sales of electricity, coal, gas or petroleum products or other fuel used in the generation of electric power.

Transmission Lines - Public Property - S. F. 362, died in Senate, would have amended Chapter 489, Code 1954, relating to the procedure for obtaining permission to erect, maintain and operate electric transmission lines on public property (H. F. 456, same as S. F. 356, died in House.)

Electric Light and Power Companies - Assessment - H. F. 47, died in House, would have amended Chapters 428 and 437, Code 1954, relating to the method of assessment and taxation of the property of electric light and power companies to provide that the assessed value of all the property of electric light and power companies in Iowa be spread among all the taxing districts into which the lines of such companies extend, on a per mile basis. (The purpose of this bill was to include the generating plants of electric light and power companies along with their transmission lines in the distribution among taxing districts of the company's property for tax purposes.)

Plumbing Code - S. F. 174, died in Senate, would have amended Section 135.11, Code 1954, relating to the powers and duties of the commissioner of public health to remove the authority of the commissioner to establish and enforce plumbing code in cities and towns.

Electrification and Telephone
Enacted

Recording Fees - Corporations and Cooperative Associations - H. F. 163, approved April 23, 1955, Chap. 227, amends various sections of the Iowa Code relating to the amounts for recording fees to be paid to the Secretary of State by corporations for pecuniary profit, cooperative associations, non-profit sharing cooperative associations, bodies cooperative and corporations not for pecuniary profit, by increasing the fee per page from twenty-five to fifty cents.

Failed

Drainage Assessments - REA Borrowers - H. F. 424, died in House, would have amended Section 455.49, Code 1954, relating to levee and drainage districts by requiring light and power companies, telephone companies, and companies operating under the Rural Electrification Act to pay assessments for benefits derived from the drainage districts through which their lines pass.

Public Service Commission - Creation - H. F. 164, died in House and S. F. 105, died in Senate, would have provided for the creation of the Iowa Public Service Commission with full regulatory jurisdiction over all utilities including electric and telephone cooperatives. (These bills are the same as S. F. 178 which failed of passage at the 1953 session of the Iowa legislature. The bills are based on the report of a nine man bipartisan committee appointed by Governor Beardsley in December 1951. The committee held a series of public hearings at which the cooperatives appeared and indicated their objections to being regulated. Municipal systems registered their opposition as did the Iowa Independent Telephone Association which opposed establishment of a regulatory commission. Commercial electric utilities and the Northwestern Bell Telephone Company indicated neutrality but expressed doubt as to benefits to be obtained. The bills would have abolished the Iowa State Commerce Commission and transferred its functions to the PSC. The new commission would have consisted of five members to be appointed by the Governor. Commission expenses would have been paid by a system of assessments levied upon the public utilities regulated by it. At present regulation of electric, gas and water rates rests in the hands of local town and city governments. The Iowa State Commerce Commission does have some control over the location of transmission and distribution facilities for electric, gas and telephone systems.)

Utility Study - H. J. Res. 19, died in House, would have provided for the establishment of a committee to study public utility operations.

Telephone
Enacted

Otley Telephone Company - H. F. 107, approved April 5, 1955, Chap. 296, legalizes the corporate acts and proceedings in connection with the adoption of the amended and substituted articles of incorporation of the Otley Telephone Co., and legalizes all the past corporate acts of the officers and stockholders of the company. (The period of corporate existence of this company expired July 7, 1923 and was not renewed. On April 22, 1954 at a special meeting new articles of incorporation were adopted by the stockholders of the company which has now been organized as a cooperative association.)

Failed

Securities of Cooperatives - Registration Exemption - H. F. 239, died in House, would have amended Section 499.59, Code 1954, relating to exemptions from the securities act of securities issued by cooperative associations by increasing the value of securities to be exempted from \$25,000 to \$150,000. (S. F. 272, same as H. F. 239, died in Senate.)

1955 Wisconsin Legislation - Final Report
Session: January 12 to October 21, 1955

Legislative Program

Electrification

The Wisconsin Electric Cooperative had given consideration during the early part of the legislative session to the desirability of securing anti-duplication legislation. At that time it was decided against sponsoring this type of legislation in the 1955 session. However the proposed revision of the Wisconsin Cooperative Association Act which provided in part for the repeal of Section 185.24 relating to service to "nonfarm members of electric co-operative associations" encountered considerable opposition and precipitated the introduction and enactment of legislation sponsored by WEC for the "avoidance of duplication in the extension of electric service by public utilities and electric cooperatives" (see S. 573, below).

Electrification and Telephone

A revision of the Wisconsin cooperative law was undertaken by representatives of a cross section of almost all of the Wisconsin cooperatives in order to codify and modernize the Wisconsin cooperative statutory law. Norris E. Maloney and Floyd E. Wheeler, counsel for Wisconsin Electric Cooperative, served on the committee which drafted the revised code. The objectives of the new code are: (1) to embody in one chapter all the statutory law pertaining to cooperatives without extensive cross reference to sections in other chapters; (2) simplification of organization and language to make it understandable to all cooperative members as well as to co-op attorneys; (3) flexibility of provisions so as to make it applicable to different types and sizes of cooperatives and to modernize business methods practiced by them; and (4) incorporation of such new material as is necessary to make it applicable to modern business methods, practices and problems of cooperatives and the dropping of material deemed obsolete or unnecessary (see A. 140, below).

Telephone

A number of Wisconsin telephone cooperatives were faced with the problem of raising the equity capital necessary to meet REA financing requirements. At their request, counsel for WEC drafted legislation to permit a non-profit membership cooperative to require each local service patron to deposit with the association his pro rata share of the equity capital (membership fee) required for the REA loan, as a condition of receiving or continuing to receive service. The bill permits, but doesn't require, classification, and payment of the membership fee by installments with the billings for service. The Public Service Commission is given the power to regulate any classification made and the amount and manner of payment (see A. 591, below). Prior to introduction a draft of this bill was furnished REA for comment and recommendation and WEC counsel was advised that there appeared to be no objection to this method for raising equity capital.

Legislation ConsideredElectrificationEnacted

Electric Service - Duplication of Facilities - S. 573, approved August 2, 1955, Chap. 432 adds Section 196.495 to the Wisconsin Statutes relating to the avoidance of duplication in the extension of electric service by public utilities and electric cooperatives. The act contains five subsections establishing rules governing the problem of conflicts between agencies furnishing electric service. Subsection (1) prohibits public utilities and cooperatives taking away from each other a customer who is already being served and also prohibits them from making a primary voltage extension (over 600 volts) to serve a person, who, though not now receiving service, has such service available through a secondary voltage drop (600 volts or under) from a utility or cooperative. The following exceptions are provided to these prohibitions: (a) if the other utility or cooperative consents in writing to the extension, and (b) if the public service commission should find that with respect to the utility or cooperative presently furnishing the service, its service is inadequate or its rates unreasonable and are not likely to be made adequate or unreasonable. Subsection 2 imposes a prohibition against cooperatives making new extensions within the corporate limits of a city or village in which there is a public utility operating under an indeterminate permit unless it receives the written consent of such utility. Subsection 3 excludes from the operation of the whole section service extended by a utility or cooperative to its own facilities or to another cooperative for resale. Subsection 4 confers jurisdiction on the public service commission to enforce orders under this section. Subsection 5 defines "secondary voltage extension" to mean an extension normally constructed and operated at a voltage of not to exceed 600 volts. All other extensions are to be deemed primary extensions.

Section 1 of this act repeals Section 185.505 of the Wisconsin Statutes as renumbered by Chapter 368, laws of 1955. Section 185.505 related to "nonfarm members of electric co-operative associations" and was formerly Section 185.24 of the statutes. A. 773, same as S. 573, died in Assembly.

(These bills were introduced after a controversy developed in the Assembly Judiciary Committee on the proposed repeal of Section 185.24 as contained in A. 140, the cooperative code revision bill. Opposition to repeal of this section was expressed by representatives of utility companies. Rather than impede the progress of the cooperative code bill representatives of the cooperatives served notice that they would seek introduction of legislation specifically repealing this controversial section along with a proposal to avoid duplication of electric facilities. Hearings on S. 573 were held by the Senate Committee on Agriculture and Conservation on June 7, 1955. Utility representatives appeared in opposition and presented a substitute bill which would have retained Section 185.24 and contained other undesirable restrictions on cooperative extensions. Committee members indicated their desire to see the utilities and the cooperatives resolve their differences and conferences were held by members of these groups to work out an agreement on this legislation. After numerous meetings a substitute bill was agreed on, adopted by the Senate Committee and passed by both houses. Floyd Wheeler reports that about the only concession made by the cooperatives from the original bill is the restriction on any new or additional extensions within the corporate limits of a city or village where there is in operation a public utility under an indeterminate permit. The original bill would have permitted cooperatives to make secondary voltage extensions in any such city or village as well as primary extensions in any "service area" therein where the utility was not actually serving customers. As finally enacted new extensions by cooperatives in such cities or villages are prohibited unless the utility gives written consent.)

Rural Electrification Administration - 20th Anniversary - S. J. Res. 68, enrolled May 18, 1955, Joint Resolution 38, notes May 11, 1955 as the twentieth anniversary of the Rural Electrification Administration and recognizes the "great effectiveness of the Rural Electrification Administration program," and the "basic soundness of that federal and state legislation which has sympathetically fostered measures and official policies aimed at expediting and improving the equality of electric service for our rural areas." In the resolution the members of the legislature take cognizance of "the important role played by the 85,000 rural citizens of this great state who have banded together to organize and successfully operate 31 rural co-operatives to bring electric power to their homes, farms and other businesses." The resolution points up the increase in the number of electrified farms in Wisconsin, the development of the Dairyland Power Cooperative, the improvement in rural standards of living, and the increasing productivity of farms and rural industry which has taken place during this period with the advent of electric power in rural areas.

Failed

Electrical Inspection - Registration of Electricians - S. 424, died in Senate, would have provided for the registration and licensing of electricians and the supervision and inspection of electrical work.

This bill is similar to legislation which has been introduced in every session of the Wisconsin legislature since 1937.

Hells Canyon Dam - A. J. Res. 74, died in Assembly, would have memorialized Congress to enact legislation authorizing the construction of a multi-purpose federal dam on the Snake River where it forms the boundary between Oregon and Idaho, commonly known as the Hell's Canyon dam project.

Electrification and Telephone

Enacted

Wisconsin Cooperative Association Act - A. 140, approved June 29, 1955, Chap. 368, creates a new Chapter 185 of the Wisconsin Statutes, codifying and modernizing the law relating to the organization and operation of cooperative associations. The new Chapter 185 will apply to all domestic cooperative associations after June 30, 1956. Any cooperative may elect to become subject to this chapter before the effective date by adopting an amendment to its articles making such election. After January 1, 1956 this chapter applies to all foreign cooperatives and it is immediately effective for all cooperatives organized after the enactment of this chapter. S. 184, same as A. 140, died in Senate.

(This revision of the cooperative code was made necessary as a result of the complete codification and revision of the law pertaining to ordinary business corporations by the 1951 and 1953 legislatures and the law relating to ordinary non-stock corporations by the 1953 legislature. As introduced the revision bill provided for the repeal of Section 185.24 relating to "nonfarm members of electric co-operative associations." This section has been of concern to cooperative officials because of the possibility of its provisions being interpreted as a limitation on the power of electric cooperative associations to serve non-farm consumers. Opposition to the repeal of this section

was voiced by utility representatives at the Assembly Committee hearing on the bill. At their behest an amendment restoring this section was introduced. Cooperative representatives vigorously protested the amendment. Because of the importance of securing the enactment of the new code their opposition was dropped and they devoted their efforts to the introduction and passage of legislation specifically repealing this section--see S. 573, Chap. 432, above.)

Failed

Public Service Commission - S. 123, died in Senate, would have amended Section 195.01 of the Wisconsin Statutes, to increase the membership of the public service commission from three to five members and providing that members shall be representatives of the public, farmers and small business, and labor and industry.

Public Utility Officials - S. 163, died in Senate, would have added Section 196.37(3) to the Wisconsin Statutes relating to the salaries of public utility officials by providing that "in determining the rates for a utility ... the commission shall take special cognizance of the salaries paid officials of the utility and shall make a specific finding in connection with the issuance of its order as to whether such salaries are reasonable or excessive."

Utility Property - Taxation - S. J. Res. 48, died in Assembly, would have directed the joint legislative council to make an interim study and investigation of the problems faced by municipalities having large concentrations of utility property which is subject only to state taxation.

Mortgages - Future Indebtedness Clauses - S. 114, died in Assembly, would have added Section 240.11 and 241.08(2), (3) and (4) and renumbered 241.08 of the Wisconsin Statutes, relating to real estate and chattel mortgages containing future indebtedness clauses. In lieu of the above bill a substitute amendment was considered and passed by the Senate which would have created Section 235.085 of the Wisconsin Statutes relating to the future advancement clause in real estate mortgages. This section would have provided that when a part of an indebtedness secured by a real estate mortgage has been paid such indebtedness may be subsequently increased up to the maximum of the initial indebtedness and the mortgage shall continue as security for the entire indebtedness.

Telephone Enacted

Telephone Cooperatives - Equity Capital - A. 591, approved June 22, 1955, Chap. 284, adds Section 196.605 to the Wisconsin Statutes relating to deposits of equity capital by patrons of telephone cooperatives financed by federal loans. This act permits telephone cooperative associations organized under Chapter 185 to furnish telephone service in rural areas on a nonprofit basis and financed in part by REA loans to require each local service patron "to deposit with the association the amount of the membership fee or other form of capital representing the pro rata share of

the total equity capital of the association required as a condition of such federal financing." It also permits the association to collect such fee in installments along with the billings for service. The deposits are to be segregated in the billing from service charges and shall be credited to the account of the patron. The amount of the membership fee or equity capital payment may be based upon classifications of service to be furnished and factors relating to the cost of rendition of such service. The equity requirements are subject to the approval of the Public Service Commission.

(This bill was introduced on March 18 at the request of REA telephone borrowers--see Legislative Program, above--and referred to the Committee on State Affairs which recommended its passage after holding a hearing on March 31. The Assembly passed the bill on May 12 but rescinded this action when it was learned that the Chairman of the Committee on State Affairs had requested the Attorney General to rule on the constitutionality of the bill. After receiving the Attorney General's opinion that the bill was constitutional the Assembly again passed the bill on June 14. The Senate passed it on June 16 after the Committee on Labor, Taxation, Insurance and Banking recommended concurrence.)

Failed

Telephone Companies - Subscriber Listings - S. 591, died in Senate, would have added Section 182.0175 to the Wisconsin Statutes, requiring telephone companies to secure in writing applications for and notice of discontinuance of business service listings in the classified section of its telephone directory. The bill would have provided that any person operating a telephone exchange "shall be liable for treble the amount of all damages occasioned by the negligent failure of their employees, officers or agents to so list any such subscriber, and in addition thereto shall promptly, after being advised of any such failure, notify in writing each of its subscribers to telephone service of the failure and of the business name, nature of business, business address and business telephone number of the subscriber whose listing was so omitted."

Telephone Rates - A. J. Res. 39, died in Senate, would have requested the Public Service Commission to submit a report to the legislature advising "(1) why telephone and natural gas rates are higher in Wisconsin; and (2) the feasibility and prospect of a reduction in telephone and natural gas rates in Wisconsin."

1955 Minnesota Legislation - Final Report
Session: January 4 to April 21 (26), 1955
First Special Session: April 26, 1955

Legislative Program

Electrification and Telephone

Amendment of the Minnesota cooperative associations act was sought late in the session to authorize electric and telephone cooperatives to exercise the power of eminent domain. (See H. F. 1863, below.)

Legislation Considered

Electrification

Enacted

Electricians Licenses - S. F. 1279, approved April 23, 1955, Chap. 790, provides for the creation of temporary Class B master electrician and Class B journeyman electrician classifications; establishes qualification requirements, examination and license fees. Classification terminates December 31, 1957. (This law is similar to legislation enacted in 1947 and extended by each session of the legislature since then. H. F. 1557, died in House, and S. F. 1345, died in Senate, would have provided for a two year extension of the 1947 act.) H. F. 784, same as S. F. 1279, died in House.

- S. F. 1239, approved April 15, 1955 and effective June 1, 1955, Chap. 457, amends Section 326.26, Subdivisions 2, 3, and 4 and Section 326.27, Minnesota Statutes, 1953, relating to the state board of electricity by providing for an increase in the examination and license fees for master, journeyman and limited electricians. H. F. 1402 same as S. F. 1329, died in House.

Power Transmission - 3rd Class Cities - S. F. 742, approved March 16, 1955, Chap. 178, permits certain third class cities whose corporate limits abut the boundary line of another state to construct, maintain and operate an electric power transmission system "for the purpose of transmitting electrical energy from any source of public power under the control of the United States and located in the adjoining state to any point within its corporate limits." H. F. 880, same as S. F. 742, died in House.

Failed

Consumers Power Districts - H. F. 1167, died in House and S. F. 1589, died in Senate, would have provided for the formation and operation of non-profit, public service utility districts "for the purpose of supplying electric or atomic energy and promoting and extending use thereof throughout the entire state."

Regulation of Electric Utilities - H. F. 1021, died in House and S. F. 1112, died in Senate, would have provided for the regulation of individuals, corporations and municipalities engaged in the production, transmission, delivery or furnishing of heat, light or power by the Minnesota Railroad and Warehouse Commission. Cooperative associations and municipal plants operating within corporate limits would be specifically excluded from the definition of "public utilities" subject to the act.

Electricity - Cost to Tenants - H. F. 1549, died in House, would have made it unlawful for any landlord furnishing electricity to tenants to charge the tenants an amount in excess of the actual cost to the landlord for furnishing such electricity.

Electric Rates - H. F. 402, died in House, and S. F. 358, died in Senate, would have amended Section 454.041, Minnesota Statutes 1953, relating to the powers of cities of the third or fourth class, to validate contracts and agreements now existing between such cities and public service corporations regarding rates to be charged for electricity.

Electrification and TelephoneEnacted

Cooperative Associations - Eminent Domain - H. F. 1863, approved April 23, 1955, Chap. 757, amends Section 308.05, Subdivision 1, Minnesota Statutes 1953, as amended by Chap. 222, laws of 1955 (see below) to authorize cooperatives "engaged in the electrical, heat, light, power or telephone business" to exercise the power of eminent domain "in the manner provided by the laws of this state for the exercise of such power by other corporations engaged in such business." S. F. 1632, same as H. F. 1863, died in Senate.

(People's Cooperative Power Association of Olmstead County had been advised by its power supplier, City of Rochester, Minn., that it could no longer continue to furnish electricity. The co-op negotiated for the purchase of power from Dairyland Power Cooperative of Wisconsin. To carry out this transaction it is necessary to build transmission lines to connect the two systems. Problems concerning acquisition of the right-of-way for this line arose. After consultation with REA officials, Floyd E. Wheeler, attorney for Dairyland Power Cooperative arranged for the introduction of this legislation giving cooperatives the power of eminent domain.)

Cooperative Associations - H. F. 506, approved March 23, 1955, Chap. 222, amends Sections 308.05, 308.06, 308.062, Subdivision 1, 308.07, 308.09, Subdivision 1, 308.12, 308.14, 308.15 and 80.06, Minnesota Statutes 1953, relating to cooperative associations, by making changes in the present law regarding shares of stock, classes of the same, voting by stockholders, meetings of stockholders, dissolution of associations, and amendment of association bylaws, etc. S. F. 408, same as H. F. 506, died in Senate.

Railroad and Warehouse Commission - Investigation - H. F. 645, approved April 20, 1955, Chap. 607, creates a commission to investigate and study all duties and functions of the Railroad and Warehouse Commission and to report to the Governor "on the methods and efficacy of the ... Commission, the need for change in its organization and jurisdiction, the sufficiency of regulation of ... public utilities ..." The commission is directed to report its findings and recommendations to the Governor and the 60th session of the legislature between November 15, 1956 and February 1, 1957. S. F. 553, same as H. F. 645, died in Senate.

Failed

Cooperative Associations - Duration of Corporate Existence - S. F. 122, died in Senate, would have provided for the renewal of the corporate existence of cooperative associations whose period of corporate existence had expired and it has continued to carry on and transact business.

(The provisions covered by this bill are included in Section 3 of H. F. 506, Chap. 222, Laws of 1955--see above.)

Telephone

Enacted

Telephones - Party Lines - H. F. 650, approved April 16, 1955 and effective July 1, 1955, Chap. 470, makes it unlawful for any person using a party-line telephone to refuse to relinquish the line when informed that such line is needed immediately for an emergency call, and requires publication of the law in every telephone directory published after its effective date. S. F. 787, similar to H. F. 650, died in Senate.

Cooperative Rural Telephone Companies - S. F. 587, approved March 29, 1955, Chap. 241, provides that any cooperative rural telephone company organized under Chap. 58, Revised Statutes 1905 or Chap. 276, Laws of 1905, may dissolve by voluntary proceedings as provided by Minnesota Statutes, 1953, Sections 301.47 and 301.48, whenever a resolution therefore is adopted by a majority of the voting power of all stockholders or shareholders at a meeting duly called for that purpose. H. F. 689, same as S. F. 587, died in House.

Non-profit Corporations - Renewal of Corporate Existence - H. F. 1784, approved April 20, 1955, Chap. 641, authorizes the renewal of the period of corporate existence of certain non-profit corporations whose period of duration has expired. Contracts and acts of such corporation entered into or performed subsequent to the expiration of the original period of existence are legalized.

Failed

Telephone Companies - Taxation - H. F. 808, died in House, would have provided for changing the basis of taxation of telephone companies from the gross earnings method to an advalorem basis. The bill would have repealed Sections 295.34, 295.35 and 295.36 of the Minnesota Statutes, 1953.

(This bill was introduced by Rep. Day as a substitute to the recommendation made by the Governor in his budget message to increase the present telephone gross receipts tax from 4 to 7 percent. See S. F. 1165, below.)

- S. F. 1165, died in Senate, omnibus tax bill contained provisions which would have amended Section 295.34, Minnesota Statutes 1953 by increasing the tax on gross earnings paid by all telephone companies from 4 to 7 percent beginning March 1, 1956.

- H. F. 1325, died in House, would have authorized any city, village or borough in Minnesota to impose a tax of not more than 2 percent on the use of local exchange telephone service. Tax would have been based on lawful rates for local telephone service and equipment rentals but would not have been applied to directory charges, toll and long distance service or federal excise taxes.

1955 North Dakota Legislation - Final Report
Session: January 4 to March 4 (11), 1955

Legislative Program

Electrification

The Legislative Committee of the North Dakota Association of Rural Electric Cooperatives, at the January 20, 1955, meeting considered but decided against sponsoring legislation concerning the following items:

1. Providing for enforcement of prohibitions against making topography changes near utility lines.
2. Requiring the governing body responsible for road and highway work to be liable for costs involved in utility line relocations.
3. Imposing a penalty on anyone impairing utility lines by breaking anchors, supports, etc.
4. Permitting the use of the same poles on a line where the phase to ground voltage is increased from 7.2 to 14.4 KV.
5. Requiring election of directors of cooperatives for staggered terms.

The Legislative Committee also considered an amendment to the cooperative laws to provide for the election of directors on the basis of geographical districts. While it was decided not to seek this amendment, legislation was introduced (see S. B. 126 and S. B. 127, below) and the Association appeared in its support.

On November 22, 1954, the Legislative Committee met to consider the advisability of seeking an amendment to Sec. 49-0301, North Dakota Revised Code of 1943, so as to require any utility or cooperative in cases of conflict over service to acquire certificates of convenience and necessity from the State Public Service Commission and to provide for establishing as a criterion for Commission action the amount of capital investment required for adequate service. This proposal had been discussed with REA and a recommendation was made to the Committee that they defer any efforts to obtain enactment of legislation on this subject at the 1955 session. This recommendation was adopted.

Telephone

No legislative program was undertaken by REA borrowers.

Legislation ConsideredElectrificationEnacted

Electric Cooperative Corporations - Directors - S. B. 126, approved February 26, 1955 and effective July 1, 1955, Chap. 108, amends Sec. 10-1319, N. D. Revised Code of 1943, relating to directors of electric cooperative corporations by providing for the election of directors by districts on a geographical basis.

Electric Cooperative Corporations - Bylaws - S. B. 156, approved March 5, 1955 and effective July 1, 1955, Chap. 107, amends Sec. 10-1313, N. D. Revised Code of 1943, relating to bylaws of electric cooperative corporations to provide that they may be amended by the vote of a majority of members voting at any regular meeting or any special meeting called for that purpose.

Electricians Licensing - Reciprocity - S. B. 171, approved March 3, 1955 and effective July 1, 1955, Chap. 285, provides for the issuance by the state electrical board of electricians' licenses to nonresidents upon being furnished with proof that the qualifications of the applicant are equal to the qualifications of holders of similar licenses in North Dakota.

Electricians - Qualifications, Fees, etc. - S. B. 175, approved March 9, 1955 and effective July 1, 1955, Chap. 282, amends Sec. 43-0901 et seq. N. D. Revised Code of 1943, relating to electricians by providing for an increase in license fees, change in experience qualifications, increase in amount of surety bond deposited with state electrical board, issuance of a class B electrician license, etc.

Failed

Electric Cooperative Corporations - H. B. 747, indefinitely postponed in House, would have amended Sec. 10-1313 relating to amendment, repeal, or adoption of bylaws and repealed Sec. 10-1308 relating to the change of office location. (This bill was not supported by the State association.)

Electrification and TelephoneEnacted

Utilities - Right-of-Way - S. B. 235, approved March 3, 1955 and effective July 1, 1955, Chap. 112, amends Sec. 11-1114, N. D. Revised Code of 1943, relating to the powers of a board of county commissioners to give them authority to grant rights-of-way over public grounds for telephone and electric lines, etc.

Chattel Mortgages - Future Advances - S. B. 83, approved February 28, 1955 and effective July 1, 1955, Chap. 216, provides for the giving of chattel mortgages to secure existing or contemporaneous debts and future advances, and to establish the priority and extent of the lien thereof.

Corporation Laws - Revision - S.C.R. C-1, filed March 5, 1955, authorizes and directs the legislative research committee, in cooperation with the State Bar Association and the cooperative corporations of North Dakota, to study and revise the laws of the state governing business and cooperative corporations. The committee is to prepare and submit suitable legislation to the Thirty-fifth Legislative Assembly (meets January, 1957).

Public Service Commission - Licensing and Inspection Activities -
H.C.R. W-1, filed March 14, 1955, authorizes the legislative research committee to study the statutes governing the operation and administration of the licensing and inspection functions of the Public Service Commission for the purpose of recommending methods of consolidation of such activities.

Failed

Public Service Commission - Expenses - S. B. 216, died in Senate, would have authorized the Public Service Commission to assess against certain public service companies a percentage of the expenses of the commission.

Telephone
Enacted

Mutual Aid Corporations - S. B. 157, approved March 3, 1955 and effective July 1, 1955, Chap. 106, provides that the bylaws of mutual aid corporations may be amended by an affirmative vote of a majority of the members voting on such question at a regular or any special meeting called for that purpose.

- S. B. 127, approved February 26, 1955 and effective July 1, 1955, Chap. 105, amends Sec. 10-1206, N. D. Revised Code of 1943, relating to directors by providing for their election from geographical districts.

Failed

Telephone Rates - S. B. 215, died in Senate, would have made it unlawful for any telephone company to collect or charge a rate for any intra-state long distance call in excess of that approved for a comparable inter-state rate.

Constitutional Amendment

Capital Stock and Indebtedness of Corporations - Chap. 355, Laws of 1953 proposed to amend Sec. 138 of the North Dakota Constitution to provide as follows: "No corporation shall issue stocks or bonds except for money, labor done, or money or property actually received; and all fictitious increase of stock or indebtedness shall be void. The stock and indebtedness of corporations shall not be increased except in pursuance of general law, nor without the consent of the persons holding the larger amount in value of the stock first attained." The amendment eliminated a requirement that consent be obtained at a meeting to be held after 60 days' notice given in pursuance of law. This amendment was approved at the election of June 29, 1954 by vote of 66,234 to 65,802. It is included in the 1955 Session Laws as Chap. 357.

1955 South Dakota Legislation - Final Report
Session: January 4 to March 4 (5), 1955

Legislative Program

Electrification

At its annual meeting in December 1954, the South Dakota Rural Electric Association adopted a resolution calling for repeal of the Consumers Power Districts Act of 1950 and substitution of a "workable power districts law." The resolution stated "It is now apparent that power to be generated at dams constructed or in process of construction, on the Missouri river will be inadequate to supply the needs of preference customers in the state, additional sources of power will have to be obtained to provide sufficient power for future needs and there is grave danger of a power shortage." However no legislation on this subject was introduced at the 1955 session of the legislature.

Telephone

REA borrowers in South Dakota were instrumental in the introduction of legislation to provide for a gross receipts tax on rural telephone companies in lieu of personal property taxes (see S. B. 144, below) and to permit municipal telephone systems to contract with rural telephone companies to provide switching service (see S. B. 256, below).

Legislation Considered

Electrification

Failed

Municipal Utilities - S. B. 270, died in Senate, would have amended Section 45.2402 of the Supplement to the South Dakota Code of 1939, relating to the issuance of revenue bonds by municipalities for financing the acquisition of utilities and extensions, additions and improvements thereto, by providing that the ordinance for the issuance of bonds may authorize the acquisition of the utility plant either by construction or by purchase, whichever method would better serve the interests of the municipality.

Telephone

Enacted

Taxation - Rural Telephone Property - S. B. 144, approved March 1, 1955, Chap. 423, classifies for the purpose of taxation the personal property of rural telephone companies and provides for the levy of a 2% gross receipts tax on such companies which tax shall be in lieu of personal property taxes. Rural telephone companies are those providing telephone and exchange service in rural areas whose subscribers or patrons do not average more than four to the mile of line as computed by dividing the total number of such subscribers or patrons in the state by the total number of miles of wired circuits and toll lines. The telephone companies are required to file with the State Director of Taxation on May 1st of every year beginning with May 1, 1956, a report of its gross receipts showing the receipts received from every county and school district in which it operates. Section 8 of the Act requires each

company to "keep on file with the County Auditor of each county through or into which its line or lines run, a map or blueprints showing correctly the location of its line or lines in such county and in each government subdivision thereof." (This bill was sponsored by REA borrowers in South Dakota in order to provide a more equitable basis for the levying of taxes and to encourage the extension of modern telephone systems into the rural areas of the state. It is patterned after existing law providing for taxing the gross receipts of rural electric companies.)

Municipal Telephone Systems - Operation of Rural Lines - S. B. 256, approved February 24, 1955, Chap. 198, amends subsection 12 of Section 45.0202, South Dakota Code of 1939, relating to the power of cities to establish, maintain, operate and regulate telephone systems by providing that cities shall have the power to contract with owners of rural telephone lines and under such contracts build and maintain telephone lines or cable to connect with rural lines at the boundaries of the city and perform the switching service for such rural lines. The amendment further provides that "in case such rural line or lines are financed in whole or in part by the United States government or an agency of said government, such contract or lease between the city and the owner of the rural lines may be for the duration of the loan made by the government or its agency." (This legislation was secured by the City of Brookings and the Brookings County Telephone Cooperative Association, S. D. 518, to insure the validity of the contract entered into by these parties for operation of facilities of the cooperative.)

Telephone and Telegraph Companies - Directors - H. B. 793, approved March 3, 1955, Chap. 227, amends Section 52.1305 relating to telegraph and telephone companies and the board of directors thereof. The amendments relate to the operation of companies and associations in cases where a majority of the stockholders or members cannot be located.

Corporations - Renewal of Existence - S. B. 294, approved March 1, 1955, Chap. 14, amends Section 11.0206-1 of the Supplement to the South Dakota Code of 1939, relating to renewal of the period of duration of a corporation's existence by extending from March 1, 1955 to March 1, 1957 the time within which proceedings to obtain renewal of corporate existence may be taken.

Corporations - Merger and Consolidation - S. B. 298, approved March 10, 1955, Chap. 17, prescribes the procedure to be followed in the merger or consolidation of corporations formed under Section 11.02 of the South Dakota Code of 1939, as amended.

Failed

Taxation - Rural Telephone Property - H. B. 649, died in House, would have amended Section 57.19 B01 of the Supplement to the South Dakota Code of 1939 by adding a new paragraph to provide that for tax purposes the property of organizations furnishing telephone service in rural areas "shall be classified the same as persons, corporations or associations distributing, transmitting or generating electric energy." (This would have levied a 2% gross receipts tax in lieu of personal property taxes. S. B. 1144, which was enacted--see above--accomplishes the same objective.)

1955 Colorado Legislation - Final Report
Session: January 5 to April 6, 1955

Legislative Program

Electrification

The Colorado State Association of REA Cooperatives sponsored legislation to liberalize ground clearance requirements for multi-phase 24.9/14.4 KV lines. (See H. B. 401, below.)

Electrification and Telephone

The Colorado Cooperative Council after consultation with the Colorado State Association of REA Cooperatives sponsored an amendment to the cooperative associations act to make the provisions relating to proxy voting for the election of directors or for amending the certificate of incorporation applicable only to rural electrification cooperative associations and rural telephone cooperative associations. (See H. B. 31, below.)

Legislation Considered

Electrification

Enacted

Electrical Construction Standards - H. B. 401, approved and effective April 21, 1955, amends Section 115-4-6, Colorado Revised Statutes 1953, establishing an exception to the National Electrical Safety Code to permit minimum clearances over ground or rails to be determined by the voltage between wires and ground (if the voltage does not exceed 20 KV) where Y-connected circuits with neutral conductors effectively grounded throughout their length are used. (This act was sponsored by the Colorado State Association of REA Cooperatives--see above. Colorado is the fifth state to enact legislation on this subject. Arizona, Montana and South Dakota enacted legislation permitting this exception to the NESC in 1951 and Wyoming enacted legislation (H. B. 62) in 1955.)

Colorado River Project - S. J. Mem. 8 memorializes the Congress of the United States to enact legislation authorizing the upper Colorado River storage project and participating projects.

Commission Jurisdiction - Constitutional Amendment - 1954 Election - At the November 2, 1954 election the voters approved S. Con. Res. 3 (adopted at the 1953 session of the Colorado legislature). This amendment adds Article XXV relating to utilities. It would confer upon such agency as designated by law "all power to regulate the facilities, services and rates and charges therefor within home rule cities and home rule towns, of every corporation, individual, or association of individuals...as a public utility, as presently or as may hereafter be defined as a public utility by the laws of the State of Colorado." The amendment further states that the authority shall be vested in the Colorado Public Utilities Commission and also provides "that nothing herein shall be construed to apply to municipally owned utilities." (This amendment was opposed by the Colorado State Association of REA Cooperatives.)

Electrification and Telephone
Enacted

Cooperative Associations Act - H. B. 31, approved and effective March 17, 1955, amends Section 31-25-3, Colorado Revised Statutes 1953, relating to the quorum required for the election of directors or for amending the certificate of incorporation by providing that the provisions contained in this section shall apply only to rural electrification cooperative associations and rural telephone cooperative associations. (This act was sponsored by the Colorado Cooperative Council, which is opposed to the use of proxy votes. The 1951 revision of the nonprofit corporation law had liberalized the quorum requirements and provided for proxy voting. This amendment was submitted by the Council to the Colorado State Association of REA Cooperatives for their review, prior to introduction.)

Public Utilities Commission - Administrative Costs - H. B. 164, approved and effective March 21, 1955, adds Sections 115-2-10 through 115-2-16 to the Colorado Revised Statutes 1953, providing for defraying the costs of administration by the Colorado Public Utilities Commission of the laws relating to public utilities, by levying fees on utilities subject of its jurisdiction.

Chattel Mortgages - H. B. 385, approved and effective April 19, 1955, amends Section 20-1-8, Colorado Revised Statutes 1953, relating to the time limit for filing and recording chattel mortgages, by adding provisions regarding supplemental mortgages.

Failed

Public Utilities Commission - Administrative Costs - H. B. 165, died in House, would have added Sections 115-14-1 to 115-14-9 to the Colorado Revised Statutes 1953, to provide for the assessment of the costs of administration of the Public Utilities Commission on public utilities subject to its jurisdiction.

Non-Profit Corporations - H. B. 268, died in House, would have amended Section 31-20-5, Colorado Revised Statutes 1953, relating to the filing of amendments of certificates of incorporation by non-profit corporations.

Corporations - Dissolution - H. B. 375, died in House, would have added Section 31-6-9 to the Colorado Revised Statutes 1953 to provide for the dissolution of corporations in case of deadlock over the management of its affairs.

Telephone
Failed

Telephone Party Lines - S. B. 220, died in Senate, would have made it a misdemeanor for any person using a party line telephone to refuse to relinquish such line upon request in order to permit the placing of an emergency call.

1955 Kansas Legislation - Final Report
Session: January 11 to April 6, 1955

Legislative Program

Electrification

The Kansas Electric Cooperatives, Inc. at its 14th annual meeting in February, 1955, voted to request the Kansas legislature to enact legislation to protect the territorial rights of rural electric cooperatives to continue service in areas proposed to be annexed by municipalities. Before taking steps to have legislation introduced the subject was given further study by their attorney and the advice and recommendation of REA were sought. Based on information furnished, it was decided by the Association that they would not seek legislation at this time.

Telephone

No legislative program was undertaken by REA borrowers in Kansas.

Legislation Considered

Electrification and Telephone

Enacted

Easements - State Lands - S. B. 261, approved April 5, 1955 and effective June 30, 1955, Chap. 298, authorizes the granting of easements for right-of-way by state officers, boards or agencies across, over or under state lands under the control and management of such state officers, boards or agencies to any municipal corporation, quasi-municipal corporation or any corporation owning or operating a public utility.

Failed

Eminent Domain - S. B. 218, died in Senate, would have established a uniform condemnation procedure in the exercise of the power of eminent domain and the acquisition of property.

Telephone

Failed

Telephone Party Lines - Emergency Calls - H. B. 261, died in House, would have required persons using party-line telephones to relinquish their use upon request in order to permit the placing of an emergency call to a police or fire department or for medical aid.

1955 Nebraska Legislation - Final Report
Session: January 4 to June 17, 1955

Legislative Program

Electrification

The Nebraska Rural Electric Association did not develop a legislative program for 1955. Through their Legislative Committee a close watch was maintained on legislation introduced and the views of the Association on various bills were made known to the Legislature.

Telephone

No legislative program was undertaken by REA borrowers.

Legislation Considered

Electrification

Enacted

Public Power and Irrigation Districts - L. B. 501, approved and effective June 13, 1955, amends Sections 70-604, 70-628.01 and 70-662 Reissue Revised Statutes of Nebraska, 1943 and Section 70-614.01 Revised Statutes Supplement, 1953, relating to public power and irrigation districts. Section 70-604 is amended to change the requirements for the name of public power districts. Section 70-628.01 is amended to permit a district that is interested by ownership, lease or otherwise in the operation of electric power plants, distribution systems or transmission lines in thirteen or more counties in the state to sell, lease, combine, merge or consolidate all or a part of its property with the property of any other district or districts. The section is further amended to provide that the board of directors of any such district shall not be permitted to delegate its duties to any other district or group of districts. Section 70-662 is amended to permit a district to expand its territory so long as it does not interfere with the operations of any other district. Section 4 of the act amends the requirements relating to the election of directors of power districts as set forth in Section 70-614.01 Revised Statutes Supplement, 1953, to permit election of director by all qualified electors living in incorporated cities and villages that buy power at wholesale or at retail and by qualified electors residing outside of incorporated cities and villages and within counties in which at least one third of the power is sold by the district.

(The public power districts supported this legislation in order to facilitate the consolidation and reorganization of the districts. This change was necessary to permit districts to establish more efficient and representative business structures to meet the growing power needs of Nebraska.)

- L. Res. 50, adopted June 17, 1955, points out that the Legislature had passed L. B. 501 and urges the power districts to take prompt action "to the end that an adequate credit rating

be attained, efficient representative management be provided and adequate generation and transmission facilities be established to meet the ever mounting needs of the state." The resolution further states that "failure of these Districts to properly consolidate and reorganize may result in a crisis in the power supply problem in Nebraska, and necessitate the calling of a special session of the Legislature for the purpose of further considering the vital power problem in this state."

- L. B. 288, approved April 2, 1955, amends Section 70-639, Revised Statutes Supplement, 1953, to eliminate the provision requiring the Department of Roads and Irrigation to assist and supervise lettings of contracts by public power and irrigation districts.

- L. B. 351, approved April 7, 1955, amends Section 70-637, Reissue Revised Statutes of 1943, clarifying the requirement that estimates of a competent engineer be obtained before a public power district enter into a contract for the construction, building, alteration, extension or improvement of any power plant or system, etc. and providing that if the estimated cost exceeds five thousand (formerly one thousand) dollars, no contract shall be entered into for a price exceeding that estimate nor without advertising for sealed bids.

Transmission Line - Fort Randall Dam to Grand Island - L. Res. 13, adopted March 9, 1955, memorializes the Congress to provide appropriations for construction of a 230 KV transmission line from Fort Randall to Grand Island.

Glendo Dam - L. Res. 10, adopted February 23, 1955, memorializes the Congress to appropriate sufficient construction funds for Glendo Dam in order to complete this dam in 1957 instead of 1958.

Failed

Public Power and Irrigation Districts - L. B. 357, indefinitely postponed March 30, 1955, would have amended Section 70-650, Reissue Revised Statutes of 1943 to provide the valuation for acquiring a distribution plant and system by a city or village.

(The Nebraska Rural Electric Association was opposed to this bill. It was believed to have been introduced in order to assist the City of Gothenburg to purchase its electric distribution system from the Platte Valley Public Power and Irrigation District. The Association was concerned because this legislation would eliminate consideration of severance charges.)

Labor Disputes - Governmental Service - L. B. 1113, died in the Legislature, would have amended Section 48-816, Reissue Revised Statutes of 1943, to provide for bargaining in the event of an industrial dispute which involves governmental service in a proprietary capacity.

(The Nebraska Rural Electric Association opposed passage of this bill. They believed that it would give the Court of Industrial Relations additional powers over the power districts in regard to their relations with their employees which would be to the disadvantage of the districts in settling local labor problems.)

Unemployment Compensation - L. B. 338, died in the Legislature, would have amended the Employment Security law to extend its provision to include employees of the state and its political subdivisions.

Electrification and Telephone
Failed

State Railway Commission - Jurisdiction - L. B. 379, indefinitely postponed April 20, 1955, would have amended Section 75-201, Reissue Revised Statutes of 1943, to confer jurisdiction upon the State Railway Commission to regulate rates and services of, and to exercise a general control over, public service companies and public utilities.

- L. B. 532, indefinitely postponed May 4, 1955, would have authorized the State Railway Commission to impose fees and charges upon persons, partnerships, associations and corporations subject to or invoking its jurisdiction; to provide for the levy of assessments upon all common carriers and public utilities over which the Commission has jurisdiction both as to service and rates, and to provide for the payment of filing fees.

Revenue and Taxation - L. B. 400, died in the Legislature, would have provided for the imposition of a 2 percent sales tax, which would have been applicable to electric, telephone and other utility sales.

1955 Wyoming Legislation - Final Report
Session: January 11 to February 19, 1955

Legislative Program

Electrification

1. The Wyoming State Rural Electrification Association sponsored legislation to establish more liberal ground clearance requirements for multi-phase 24.9/14.4 KV lines. (See H. B. 62, below)
2. The exemption of the rural electric cooperatives from ad valorem taxes expired on February 12, 1955. This exemption had originally been given the cooperatives for a six year period beginning in 1943 and renewed for an additional six years in 1949. The State Association sponsored legislation to continue the exemption for two more years, through 1957. (See H. B. 215, below.)

Telephone

No legislative program was undertaken by REA borrowers in Wyoming.

Legislation Considered

Electrification

Enacted

Electrical Construction Standards - H. B. 62, approved February 26, 1955, Chap. 214, amends Section 62-214, Wyoming Compiled Statutes, 1945, relating to minimum standards for the construction, reconstruction, maintenance and operation of electrical wiring, construction, equipment and apparatus, by establishing an exception to the National Electrical Safety Code to permit minimum clearances over ground or rails to be determined by the voltage between wires and ground (if the voltage does not exceed 15 KV) where Y-connected circuits with neutral conductors effectively grounded throughout their length are used. (This act was sponsored by the Wyoming State Rural Electrification Association. Few other states have enacted legislation on this subject - they are Arizona, Montana and South Dakota, in 1951 and Colorado (H. B. 401) in 1955.)

Public Service Commission - S. F. 89, approved February 19, 1955, Chap. 154, amends Section 64-101, Wyoming Compiled Statutes, 1945, defining terms, definitions, words and phrases of the Public Service Commission of Wyoming by providing that "any person furnishing coal, water or other raw materials to an electric power company shall not by this act alone be designated as a public utility."

Rate Schedules - S. F. 127, approved February 26, 1955, Chap. 211, provides that printed copies of rate schedules, etc. filed with the Wyoming Public Service Commission or Interstate Commerce Commission, which are identified by a PSC number or an ICC number may be received in evidence without certification and shall be presumed to be correct copies of the originals.

Water Development Projects - H. B. 28, approved February 10, 1955, Chap. 72, authorizes the Wyoming Natural Resources Board to enter into contracts and agreements with the government of the United States or duly representative agency thereof for the construction of water development projects.

Water Rights - S. F. 78, approved March 1, 1955, Chap. 227, amends Section 71-402 Wyoming Compiled Statutes, 1945, relating to preferred use of water rights by adding the use of water for steam power plants to the list of preferred uses.

Southwest Wyoming Steam Plant - S. J. Mem. 9, approved February 10, 1955, memorializes the Congress of the United States to develop the natural resources of southwest Wyoming by construction of a steam electric plant to relieve distressed conditions incident to the closing of coal mines. The proposed steam plant is to be used to supplement power developed at Bureau of Reclamation projects.

Power Revenues - H. J. Mem. 7, approved February 10, 1955, memorializes the Congress of the United States to continue the use of power and other revenues from reclamation projects to aid in the repayment of irrigation costs.

Colorado River Project - S. J. Mem. 2, approved February 10, 1955, memorializes the Congress of the United States to proceed with the development of the Colorado River in the upper basin states by authorizing the construction of the Colorado River storage project.

Failed

Rural Electric Cooperatives - Tax Exemption - H. B. 215, died in Senate, would have extended for a period of two years from and after February 12, 1955 the exemption from taxation of the property of non-profit cooperative corporations or associations engaged in rural electrification within the State of Wyoming. (This bill would have continued the tax exemption which the cooperatives have had since 1943. It was introduced in the House on January 28, 1955 by Representatives Spiker, Davison, Yoder, Fiero and Jurovich. It passed the House without a dissenting vote but was defeated in the Senate on the last day of the session by a vote of 13 to 12.)

State Electrical Board - H. B. 221, died in House, would have established a state electrical board; provided for a state electrical inspector; established minimum standards for the installation of electrical wiring and equipment; provided for licensing of electricians; established license fees for electrical contractors, etc.

Electrification and Telephone

Enacted

Chattel Mortgages - H. B. 85, approved February 15, 1955, Chap. 94 amends Section 59-106, Wyoming Compiled Statutes, 1945, relating to chattel mortgages by providing for an increase in the fees charged for filing same.

Corporations - Annual Meetings - H. B. 60, approved February 10, 1955, Chap. 66, provides that the requirement of publication of prior notice for a meeting of stockholders of a corporation may be waived by the signing of waivers of such notice by stockholders.

Engineers and Surveyors - Registration - H. B. 47, approved February 10, 1955, Chap. 83 amends Sections 37-2206 and 37-2212, Wyoming Compiled Statutes, 1945, relating to the registration and certification of professional engineers, land surveyors and engineers in training by providing for the minimum qualifications for registration and for the expiration and renewal of certificates of registration.

Failed

Engineers and Surveyors - H. B. 77, died in House, would have amended Section 37-2206, Wyoming Compiled Statutes, 1945, by providing for the issuance of a combined professional engineer and land surveyor license.

Telephone

Failed

Telephone Service - Extension - S. F. 161, died in Senate, would have empowered the Public Service Commission, upon receiving a petition from any city or town having a population of more than 250 persons which is without telephone service, to require a public utility located within fifty miles of such city or town to extend telephone service, after holding a hearing and investigation and making a finding that the extension of such service is for the public convenience and necessity and is economically feasible.

1955 Arkansas Legislation - Final Report
Session: January 10 to March 10, 1955

Legislative Program

Electrification

The Arkansas State Electric Cooperative, Inc. sponsored two amendments to the Electric Cooperative Corporation Act. The first amendment proposed a change in the definition of "rural area" (Section 77-1102(8), Arkansas Statutes) to provide that the determination of a rural area shall date as of the time the Arkansas Public Service Commission or predecessor commission or Department of Public Utilities grants a certificate of convenience and necessity to an electric cooperative. The amendment also permitted a cooperative to continue to provide service in the area if it should be later incorporated within the boundaries of an incorporated or unincorporated city, town or village having a population less than or in excess of 2500 inhabitants. In addition it contained a proviso preserving the right of a municipal utility to serve within its corporate limits or any expansion or extension thereof. The bill was introduced as H. B. 77 and as finally enacted was further amended by the addition of language to Section 77-1131 concerning the annexation of a rural area served by a cooperative, by a city, town or village served by a regulated utility. (See H. B. 77, Act 85, below.)

The second amendment by the Arkansas Statewide related to Section 77-1104(4) of the Arkansas Statutes regarding the powers of electric cooperatives. As proposed the amendment would have permitted cooperatives to own and operate generation facilities and dispose of energy without limitation and eliminate the requirement of securing a certificate of convenience and necessity from the Public Service Commission. The amendment also added language to permit cooperatives to enter into agreements for the sale and interchange of electric power and energy without limitation to any and all persons including federal agencies. It was introduced as H. B. 76 and was amended substantially prior to enactment. (See H. B. 76, Act 32, below.)

REA was furnished copies of the draft bills. A review was made of them and comments and recommended language changes were sent to the Arkansas State Electric Cooperative. None of this material was used or incorporated into the bills as finally enacted.

Telephone

No legislative program was developed by REA telephone borrowers in Arkansas.

Legislation ConsideredElectrificationEnacted

Electric Cooperative Corporation - Powers - H. B. 76, approved and effective February 3, 1955, Act 32, amends Section 77-1104(4) of the Arkansas Statutes relating to the powers of electric cooperative corporations to permit cooperatives to own and operate facilities for the generation, transmission and sale of power "in areas allocated to rural electric cooperative corporations, but not to customers of regulated utilities in territories allocated to or served by regulated utilities." A new paragraph is added to this section permitting cooperatives to enter into agreements "with any and all other persons, individual corporations or public bodies or agencies including any federal agency or any agency of the state or city governments or any subdivision of state, county or city government" for the sale or interchange of surplus power. This power may be resold by such purchasers at wholesale or retail but a prohibition is included against the sale of such power "in territories or to customers served by regulated utilities." This restriction is not applicable to the United States Department of the Interior and its marketing agency for electric power subject to the provisions covered by Section 5 of the Flood Control Act of 1944. S. B. 61, same as H. B. 76, died in the Senate. (This legislation was sought by the Arkansas State Electric Cooperative to clarify the right of electric cooperative corporations to own and operate generation and transmission facilities. As originally introduced the bill would have eliminated the requirement for securing a certificate of convenience and necessity from the Public Service Commission for the construction of these facilities and the restriction on the sale of power and energy only to its members. The bill as introduced also permitted cooperatives to enter agreements for the sale and interchange of electric power and energy without being subject to any limitations or restrictions.)

Electric Cooperative Corporations - Service in Rural Areas - H. B. 77, approved February 21, 1955 and effective June 9, 1955, Act 85, amends Section 77-1102(8) of the Arkansas Statutes relating to the definition of "rural area" so that the determination of population would be made as of the time a cooperative received its certificate of convenience and necessity in order to preserve the right of a cooperative to continue service in areas which are later annexed to cities, towns or villages, and to continue in cities, towns or villages whose population has increased beyond 2500. Section 77-1131 is amended by adding provisions relating to cooperative service areas which are annexed by or incorporated within a city already being served with electricity by a regulated public utility. In such cases cooperative members lose their membership and the right to be served by the cooperative. The Public Service Commission is given the power and jurisdiction to determine the fair value of the electric distribution system and related property of the corporation and to compel the public utility taking over the area to surrender to the cooperative "other towns, villages, communities or

rural areas of at least equal revenue, value, or density." The Commission in making such a finding "shall consider the fair value of the distribution system and related property in such area, the revenues obtained therein, the nature of the area, and the prospective growth, and shall not require the public utility to surrender any more property or area than is necessary to adequately compensate the corporation for its loss of area and property." In cases where a cooperative desires to sell any property in question rather than trade or exchange same, or where there is no property to sell or exchange the Commission "shall require the public utility to purchase said system and property and pay for any and all severance damages for the separation of that part of the corporations property from the remainder of its system, in addition to the fair value of the property and its prospective growth." However a cooperative having an office building located within an area included in the extension of any city limits may retain its own lines and services to its offices and property in order to serve itself. Section 3 of the act preserves the right of a municipal utility to operate and maintain its facilities within its corporate limits as it presently exists or may exist upon extension or expansion of its city limits. S. B. 81, same as H. B. 77, died in Senate. (This legislation was sought by the Arkansas State Electric Cooperative to protect the right of a cooperative to continue to serve areas which no longer could be classified as "rural areas" as defined in the Electric Cooperative Corporation Act. Similar legislation was introduced at the 1953 session but was defeated after being adversely amended. H. B. 77 as originally introduced amended the definition of "rural area" in substantially the form as enacted. Prior to final passage this definition was amended to provide that a cooperative could continue service in a city, etc. if it had served the entire city when it had a population of less than 2500 and in which no regulated public utility was authorized to serve. The bill was further amended by the legislature to add language to Section 77-1131 relating to the ousting of a cooperative from cities, etc. served by regulated public utilities and providing for payment for loss of area and property.)

Arkansas River Multiple-Purpose Plan - S. C. Res. 12, approved March 4, 1955 urges the Congress to appropriate funds in order to begin construction of the Dardanelle and Ozark Dams in Arkansas and approved dams in Oklahoma as recommended by the comprehensive plan for the Arkansas River basin.

Greer's Ferry Reservoir Project - H. C. Res. 28, approved March 4, 1955 urges the Congress to appropriate funds to initiate construction of the Greer's Ferry project on the White River in Arkansas.

Failed

Public Utilities - Home Appliances - S. B. 153, died in Senate, and H. B. 42, died in House, would have amended Section 8 of Act 324, Acts of 1935, relating to the regulation of public utilities, by prohibiting the sale of home appliances by public utilities. H. B. 508, died in House, would have amended this section to prohibit utilities from including any losses from sales of merchandise in any figures used for establishing a rate base.

Public Utilities - Demand Meters - H. B. 408, died in House, would have prohibited public utilities from using demand meters in calculating total consumption of residential patrons.

Power and Light Companies - H. B. 422, died in House, would have required light and power companies to furnish adequate service to county seat towns.

Utility Lines - Airports - H. B. 370, died in House, would have amended Section 74-302, Arkansas Statutes, relating to the maintenance of high power utility lines near airports.

Electrification and Telephone

Enacted

Public Utility - Rate Increases - S. B. 2, approved February 3, 1955 and effective June 9, 1955, Act 31, amends Section 73-217, Arkansas Statutes, relating to changes in utility rates by permitting a public utility to petition the Public Service Commission for a hearing in order to show the existence of an immediate and impelling necessity for the requested rate increase. After such hearing the Commission may allow the new rates to become effective upon filing of a bond pending final determination of the reasonableness of the rates. The bond which is to be approved by the Commission and made payable to the State of Arkansas shall be in such amount and with sufficient security to insure the prompt payment of any damages or refunds to the persons entitled thereto if the rate or rates so put into effect are finally determined to be excessive. In the event no final rate determination has been made within a period of 120 days from the date the new schedule was filed with the Commission, then notwithstanding any suspension order by the Commission the public utility may put such suspended rate or rates into effect immediately upon the filing of a bond. H. B. 18, same as S. B. 2, died in House.

Public Utilities - Obstruction of Service - H. B. 99, approved and effective March 28, 1955, Act 394, makes unlawful any willful or intentional destruction, injury, impairment or obstruction of service rendered by public utilities or radio or television stations.

Public Service Commission - Compilation of Laws - S. B. 321, approved and effective March 10, 1955, Act 187, directs the Arkansas Public Service Commission to compile and print a digest of all laws pertaining to the duties and functions of the Commission together with its rules and regulations and all relevant decisions of the Arkansas Supreme Court and opinions of the Attorney General of Arkansas.

Failed

Public Service Commission - S. J. Res. 9, died in Senate, would have proposed a constitutional amendment establishing the Arkansas Public Service Commission.

Public Utilities - Regulation - H. B. 448 and H. B. 576, died in House, would have amended Section 8, Act 324 of 1935, to provide for the better regulation of public utilities in the State of Arkansas.

Public Utility Rate Cases - Assessment of Costs - H. B. 44, died in House, would have provided for the assessment of costs in public utility rate cases, including attorney and expert witness fees, against the utility seeking the increase. H. B. 292, died in House, would have provided for the assessment of costs in public utility rate cases when city attorneys intervene on behalf of their cities.

Consumer Representation - Utility Rate Cases - H. B. 223, died in House, would have provided for consumer representation before the Public Service Commission in all utility rate hearings and established a method of compensation for such representation.

Public Utility Rates - H. B. 129, died in Senate, would have amended Section 73-217, Arkansas Statutes, relating to methods for changing utility rates.

Utility Property - H. B. 231, died in House, would have regulated the sale or disposition of property of public utilities.

Public Service Commission - Appointment - H. B. 91, died in House, would have created a board to be composed of the Governor, Secretary of State, Attorney General, State Auditor, State Treasurer and State Land Commissioner and provided that this board shall appoint the members of the Arkansas Public Service Commission.

Public Service Commission - Expenses of Public Utilities - H. B. 50, died in Senate, would have defined the Public Service Commission's control over operating expenses of public utilities in order to preclude unreasonable expenditures which may be charged off to consumers as cost of service. The prohibited expenditures would have included advertising, public relations and like activities.

Public Utilities - Charges - H. B. 61, died in House, would have prevented public utilities from exacting or collecting monetary fines or penalties from patrons and would have provided for the imposition of penalties for violations.

Public Utilities - Billings for State Agencies - H. B. 340, died in House, would have prohibited public utilities from splitting the computation of the billing to State institutions and agencies.

Public Utilities Tax Assessment - S. B. 30, died in Senate, would have empowered the Arkansas Public Service Commission to assess all real and personal property of persons, firms, companies and corporations where the total fair market value of such real and personal property in the State of Arkansas owned by any such person, firm, company or corporation exceeds \$500,000 in order to provide additional sums for the support of the public schools of Arkansas and other local governmental purposes.

Telephone
Enacted

Telephone Service - H. B. 80, approved March 2, 1955 and effective June 9, 1955, Act 120, amends Section 73-1816, Arkansas Statutes relating to the requirement that telephone companies supply all applicants for telephone connection and facilities without discrimination by providing that the Public Service Commission (in place of the courts) shall have the authority to require telephone companies to furnish applicants the service requested. The provisions imposing monetary penalties upon telephone companies for failure to provide service have been deleted from this section.

Telephones - Party Lines - H. B. 521, approved March 15, 1955, and effective June 9, 1955, Act 240, makes it a misdemeanor for any person using a party line to refuse to relinquish same when informed that it is needed for an emergency call to a police or fire department, or for medical aid or ambulance service, and requires that notice of these provisions be included in every telephone directory distributed to the public.

Failed

Tax - Coin Telephones - S. B. 234, died in Senate, would have amended various sections of Title 84 of the Arkansas Statutes relating to taxation by levying a privilege tax on coin operated telephones.

1955 Louisiana Legislation - Final Report
Session: May 9 to June 7, 1955

Note: The regular session of the Louisiana legislature convening in odd numbered years is limited in length to 30 days and restricted in subject matter to consideration of budgetary and fiscal matters. This is the first budget session of the Louisiana legislature to be convened. It was authorized by the adoption of a constitutional amendment at the election held November 2, 1954.

Legislative Program

Electrification and Telephone

REA borrowers did not undertake a legislative program.

Legislation Considered

No legislation of interest to the REA electrification or telephone programs was noted.

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Special Session: January 3 to January 14, 1955

The Louisiana legislature was called into special session to consider highway legislation. Special sessions are limited in their consideration to subject listed in the Governor's call. No legislation affecting the REA programs was noted.

1955 Missouri Legislation - Final Report
Session: January 5 to May 31, 1955

Legislative Program

Electrification

For several years the Missouri State Rural Electrification Association has considered recommending an amendment to the Rural Electric Cooperative Act to clarify the organization and composition of boards of directors of federated cooperatives. In 1951 a bill on this subject was introduced, adversely amended and then permitted to die in the legislature. The Association considered introduction of this legislation at the 1955 session but no action was taken.

Telephone

No legislative program was undertaken by REA borrowers in Missouri.

Legislation Considered

Electrification

Enacted

Utilities - Stock Dividends - S. B. 92 approved May 19, 1955 and effective August 29, 1955 amends Section 393.210, Revised Statutes of 1949, relating to issuance of stock by gas, electric, water and heating corporations, to correct a typographical error in the statutes by substituting the word "sale" for "same". The corrected sentence provides "No gas corporation, electrical corporation or water corporation governed by this chapter shall declare any stock, bond or scrip dividend or divide the proceeds of the sale of any stock, and or scrip among its stockholders unless authorized by the commission so to do."

Failed

Electrical Appliances - H. B. 565, died in House, related to the retail sale of electrical appliances.

Electrification and Telephone

Failed

Public Utility Charges - Refunds - H. B. 300, died in Senate, would have provided that unclaimed refunds of public utility charges shall escheat to the state.

Corporations - S. B. 306, died in Senate, would have repealed and reenacted Section 351.160, Revised Statutes of 1949, relating to general and business corporations by adding language providing that stockholders' consent shall not be necessary to authorize an increase in the bonded indebtedness of corporations subject to Public Service Commission jurisdiction unless the articles of incorporation otherwise provide.

Public Utilities - Labor Disputes - H. B. 399, died in House, would have provided for the operation of public utility properties when taken over by the state in cases of labor disputes.

- S. B. 218, died in Senate and H. B. 435, died in House, would have repealed and reenacted Sections 295.010 to 295.210, Revised Statutes of 1949, relating to labor disputes in public utilities.

- H. B. 270, died in House and S. B. 337, died in Senate, would have amended Chap. 295, Revised Statutes of 1949, relating to the regulation of labor disputes involving public utilities.

1955 Oklahoma Legislation - Final Report
Session: January 4 to May 27 (28), 1955

Legislative Program

Electrification

The Oklahoma Statewide Electric Cooperative sponsored legislation to:
(1) fix the right of a cooperative to continue to serve consumers located in areas which lose their character as "rural areas" as defined in the Oklahoma Rural Electric Cooperative Act (see H. B. 918, below), and
(2) protect cooperatives from encroachment by municipal utilities (see S. B. 279, below).

Telephone

Liberalization of the definition of "rural area" in the Rural Telephone Cooperative Corporation Act was sought and obtained (see S. B. 372, below).

Legislation Considered

Electrification

Enacted

Rural Electric Cooperative Act - H. B. 761, approved and effective May 24, 1955, amends Title 18 O. S. 1951, Section 437.8 relating to trustees of cooperative corporations by providing for three classes of trustees (instead of two) to serve for three year staggered terms.

Grand River Dam Authority - H. B. 562, approved and effective February 14, 1955 amends Title 82 O. S. 1951, Sections 863, 866 and 874 relating to the number of board members (increased from 5 to 7), their term of office (7 years instead of indefinite appointments) and rate of compensation (\$15 instead of \$10 per day for each day spent in attending meetings). (S. B. 24, similar to H. B. 562, died in Senate.)

Failed

Rural Electric Cooperative Act - H. B. 918, died in House, would have amended Title 18 O. S. 1951, Section 437.28, relating to the definition of the term "rural area" as used in the Rural Electric Cooperative Act. The amended definition would have read: "'Rural Area' means any area not included within the boundaries of any incorporated or unincorporated city, town or village having a population in excess of fifteen hundred (1500) persons at the time a cooperative commences to operate electrical facilities or to furnish electric energy in such area."

Municipal Corporations - Extension of Lines - S. B. 279, died in Senate, would have amended Title 11 O. S. 1951, Section 447, relating to the extension of lines of municipal corporations engaged in the distribution of electricity by adding the requirement that "no municipal corporation shall construct, extend, or acquire, by purchase or otherwise, facilities for the furnishing of electric service to any person, firm or corporation, regardless of location, already receiving such service not for resale from another supplier without obtaining the prior consent in writing of said supplier." (The above bills were prepared by REA at the request of the Oklahoma State-wide Electric Cooperative in order to provide a legislative solution to a number of problems arising in areas served by cooperatives which had been annexed to a municipality. Draft legislation had been furnished the State-wide at their request in 1953 but was not introduced at the session of the legislature that year. In 1954, Roy C. Boecher, manager Cimarron Electric Cooperative (Okla. 1) requested a draft of a bill to limit the line extension activity of municipalities in areas already receiving service. This request had been made because of the activity of the City of Fairview within the territory served by Okla. 1. In 1955 alternative drafts were supplied which would have (1) prohibited duplication of service by private, municipal and cooperative suppliers of electric service (not introduced); (2) related to service by municipal lines outside of a municipality (not introduced), and (3) related to service by municipal lines within or without a municipality to areas already receiving service from another supplier (S. B. 279).)

Electrical Inspection Department - H. B. 652, died in House, would have created an Electrical Inspection Department in the Office of the State Fire Marshal; provided for standards for electrical equipment, methods of installation and for inspection of electrical wiring; established fees for inspections; provided for licensing electrical contractors and journeymen electricians, etc. (This bill is the same as H. B. 814 which failed to pass at the 1953 session of the legislature. Similar legislation had been enacted in 1945 but was repealed in 1947 when it was found to be unworkable.)

Franchise Taxes - Utilities - H. B. 774, died in House, would have amended Title 68 O. S. 1951, Section 1202 to provide that a tax of 2 percent may be levied upon the gross receipts of public utilities within a city or town as a franchise tax.

Oklahoma Water Resources Authority Act - S. B. 22, died in Senate, would have provided for the creation of the Oklahoma Water Resources Authority to provide for the development of the water resources of the State. (H. B. 576, same as S. B. 22, died in House.)

Oklahoma Ground Water Law - S. B. 145, died in Senate, would have enacted the Oklahoma Ground Water Law of 1955 to be administered by the Oklahoma Planning and Resources Board, to regulate and control the use of the ground waters of Oklahoma for irrigation, municipal, commercial, industrial, recreational and other beneficial uses.

Electrification and Telephone

Failed

Corporation Commission - H. J. R. 510, passed House, died in Senate, would have proposed an amendment to Article 9, Section 15 of the Oklahoma Constitution to authorize an increase in the membership of the Corporation Commission from three to seven members for six year staggered terms.

Highway - Development Rights - H. B. 693, passed House, died in Senate, would have provided for the planning, acquisition, use, regulation and exercise of highway - development rights by the highway authorities of the state, counties, cities and towns. "Highway - development rights" are defined to mean and include "agreements which may be entered into between the State, county and city highway authorities, within their respective jurisdictions, and land owners, ...through which marginal strips or areas adjacent to highways ... would be protected from development or utilization which would prevent, be inconsistent with, or increase the cost of future expansion of the highway, or the future utilization of the easement area for highway purposes."

Telephone

Enacted

Rural Telephone Cooperative Corporation Act - S. B. 372, approved and effective May 31, 1955, amends the Rural Telephone Cooperative Corporation Act by changing the definition of "rural area" to mean any area not included within the boundaries of any incorporated or unincorporated city, village or borough having a population in excess of 1,625 (instead of 1,500) inhabitants.

Emergency Calls - Telephone Party Lines - H. B. 732, approved May 26, 1955 and effective August 25, 1955, makes it a misdemeanor for any person to wilfully refuse to surrender the use of a party line telephone for the purpose of permitting the placing of an emergency telephone call, and requires that a notice of the law be placed in every telephone directory distributed after the ninetieth day following its effective date.

1955 Alaska Legislation - Final Report
 Session: January 24 to March 25, 1955
 First Special Session: March 28 to April 7, 1955

Legislative Program

Electrification and Telephone

The Alaska Rural Electric Co-op Association, after consultation and with the assistance of REA, drafted legislation covering the following subject matter:

1. Regulation of public utilities by municipalities:
 - a. Amendment of Subsection 10 of Section 16-1-35, ACIA 1949, to exempt not for profit corporations from the powers of a city council to regulate rates and charges for utility service. (See H.B. 35 and S.B. 76, below);
 - b. Amendment of Subsection 16 of Section 16-1-35, ACIA 1949, pertaining to the powers of a city council to grant franchises, to provide that such franchises shall expressly prohibit duplication of facilities and to exempt non-profit organizations from review by the city council of rates and charges and from regulation. (See S.B. 74, below); and
 - c. Amendment of Section 49-1-4, ACIA 1949, pertaining to books of account and annual statements of public service corporations, to exempt non-profit corporations and associations. (See H.B. 37 and S.B. 73, below).
2. Protection of non-resident consumers served by municipal systems and prohibiting duplication of existing utility services by municipal utility systems. (See H.B. 47, below).
3. Amendment of co-operative business corporation act to liberalize vote requirement for amendment of articles of incorporation and authorize secret mail ballot. (See S.B. 72, below).
4. Amendment of condemnation laws by exempting property in which the United States has a legal or equitable interest. (See H.B. 137, below).
5. Amendment of Chapter 3, Title 36, ACIA 1949, relating to the formation and operation of co-operative business corporations by adding a new section 9 to exempt REA mortgages from requirements of Sections 22-6-2 and 22-6-6, ACIA 1949, relative to affidavits of good faith and setting forth maturity dates, and to make provision for after-acquired property. (See H.B. 34 and S.B. 75, below).

Items 1.c., 3, 4 and 5 were enacted; Items 1.a., 1.b., and 2 failed to pass.

Legislation ConsideredElectrification and Telephone
Enacted

Municipal Regulation of Utilities - Exemption of REA Borrowers -
H.B. 37, approved and effective March 29, 1955, Chap. 173, amends Section 49-1-4, ACIA 1949, pertaining to books of account and annual statements of certain public service corporations and associations by exempting "rural electrification or telephone cooperative or non-profit associations receiving financial assistance from the Federal Government under the Rural Electrification Act" from the requirement of filing annual statements with the city council. (S.B. 73, same as H.B. 37, died in Senate.)

Co-operative Business Corporations - S.B. 72, approved and effective March 25, 1955, Chap. 97, amends Section 36-3-2, ACIA 1949, relating to articles of incorporation of co-operative business corporations to permit their amendment at any regular or special meeting of the members of the association by the vote of two-thirds of the members voting and present or by a vote of two-thirds of the members voting by a secret mail ballot. Section 36-3-3 is amended to extend the term of existence from twenty to fifty-five years.

Condemnation Proceedings - Property of REA Borrowers - H.B. 137 approved March 28, 1955 and effective June 26, 1955, Chap. 122 relates to the exercise of the power of eminent domain by cities of the first class through the use of a declaration of taking by providing that this procedure "may not be used with relation to the property of rural electrification or telephone cooperative or non-profit associations receiving financial assistance from the Federal Government under the Rural Electrification Act."

REA Mortgages - H.B. 34, approved and effective March 12, 1955, Chap. 38, adds Section 36-3-9, ACIA 1949, exempting mortgages given by cooperative associations to the United States of America or any agency or instrumentality thereof, to secure any indebtedness incurred under the Rural Electrification Act, from the provisions of Section 22-6-2 which provides that chattel mortgages shall be void unless accompanied by an affidavit of good faith and from the provisions of Section 22-6-6 which requires that each chattel mortgage set forth the date on which the indebtedness secured by the mortgage becomes due. This section also provides that all after-acquired property of the co-operative association which is mortgaged shall become subject to the lien immediately upon acquisition whether or not such property was in existence at the time of the execution of the mortgage. (S.B. 75, same as H.B. 34, died in the Senate.)

(Legislation on this subject was sought by Alaska REA borrowers in 1951 and a draft of a bill prepared by REA was introduced but failed of passage. No action on this subject was taken at the 1953 session of the legislature. Consideration of legislation to relieve REA borrowers of the burdensome mortgage filing and recordation requirements was again recommended for submission to the 1955 legislature and the above bill was sponsored by the ARECA.)

Public Utility Districts - H.B. 16, approved March 29, 1955 and effective June 27, 1955, Chap. 171, amends Section 149-2-13, ACIA 1949, relating to the procedure for dissolution of a public utility district by providing for distribution of property and assets of such districts. The section is further amended by adding provisions relating to the exclusion from a public utility district of territory annexed by a city.

- H.B. 174, approved March 28, 1955 and effective June 26, 1955, Chap. 123, provides for the procedure to be followed in the recall of public utility district officials elected for a term of office exceeding one year.

- S.B. 10, approved March 28, 1955 and effective June 26, 1955, Chap. 127, authorizes public utility districts to make local improvements and to assess costs against benefited property in the same manner as incorporated cities.

Failed

Municipal Regulation of Utilities - H.B. 35, died in House, would have amended Subsection 10, Section 16-1-35, ACIA 1949, relating to the power of a city council to regulate rates and charges for utility services by providing for exemption from such regulation of associations and corporations organized and operating not for profit. (S.D. 76, same as H.B. 35, died in Senate.)

- S.B. 74, died in Senate, would have amended Subsection 16, Section 16-1-35, ACIA 1949, relating to the powers of city councils to grant franchises by providing that such franchises shall prohibit the duplication of any facilities already installed and furnishing service and that rates and charges for service furnished by non-profit organizations shall not be subject to review or approval by the city council.

- H.B. 47, died in House, would have amended Subsection 4, Section 16-1-35, ACIA 1949, relating to the furnishing of municipal utility services by requiring that service to non-residents be at fair rates, charges and conditions, and without requirement that other services be taken, and prohibiting the duplication of existing utility services.

Public Service Commission - H.B. 201, died in House, would have created the Public Service Commission of Alaska, and defined its authority and duties including jurisdiction over all utilities in the territory.

Public Utility Districts - H.B. 118, died in House, would have provided for the appointment of a district attorney and a district magistrate in public utility districts.

- H.B. 119, died in House, would have amended Section 49-2-21, relating to the powers of a public utility district by giving such districts the same powers as cities of the first class and authorizing PUD boards to exercise such powers in the same manner as city councils.

- H.B. 120, died in House, would have given public utility districts authority to enforce official ordinances.

Non-Profit Corporations - S.B. 36, died in Senate, would have amended Section 36-4-2, ACIA 1949, to provide that articles of incorporation may be amended by vote of 2/3 of the members or stockholders by a secret mail ballot.

Electrification

Failed

Alaska Power and Water Resources Commission - H.B. 84, died in House, would have provided for the creation of the Alaska Power and Water Resources Commission setting forth its powers and duties for the development of the water resources of Alaska

1955 California Legislation - Final Report
Session: January 3 to June 8, 1955

Legislative Program

Electrification and Telephone

REA borrowers in California did not have a legislative program.

Legislation Considered

Electrification

Failed

Power Plants - Engineers Licenses - A. B. 787, died in Assembly, would have added Chapter 7.5 to the Business and Professions Code to provide for the safe operation of stationary power plants and equipment and delegating to the Department of Professional and Vocational Standards the power to issue licenses to engineers who are qualified to operate power equipment.

Domestic Appliances - A. B. 2190, died in Assembly, would have added Chapter 20 to Division 3 of the Business and Professions Code relating to the regulation of the installation, servicing, and repair of domestic appliances and provided for the creation of the Domestic Appliance Contractor's Licensing Board.

Feather River Project - Assembly Bills 1299 to 1305, died in Assembly and 1169 to 1174, died in Senate, would have authorized studies, construction plans, land acquisition, etc., in connection with the proposed Feather River multiple-purpose project.

Electrification and Telephone

Enacted

Public Utility Districts - A. B. 324, approved June 3, 1955, Chapter 901 adds Article 4, Sections 18000 - 18004, to Chapter 10 of Division 7, Public Utilities Code, providing for the disincorporation of a public utility district where the district is entirely within a city.

- A. B. 1603, approved May 24, 1955, Chapter 727, repeals Section 15709 of the Public Utilities Code, relating to the authority of the board of supervisors of a county to enact an ordinance declaring it to be a necessity for the inclusion of a public utility district within unincorporated territory.

Municipal Utility Districts - A. B. 3694, approved June 1, 1955, Chapter 849, amends Section 11908 of the Public Utilities Code relating to municipal utility districts by providing for the increase in compensation of members of the board of directors from \$10 to \$20 per meeting.

- A. B. 2822, approved July 1, 1955, Chapter 1563, amends Section 12751 of the Public Utilities Code, relating to the purchase of supplies and materials by municipal utility districts. Such purchases are to be made by contract let to the lowest responsible bidder when the expenditure exceeds \$4000 (previous limit \$3000).

- A. B. 2248, approved June 22, 1955, Chapter 1207, adds Chapter 11.5, Section 11401, to Division 6 of the Public Utilities Code providing for the holding of a public hearing before fixing or changing any rates or charges for commodities or services furnished by a municipal utility district.

Utility - Pole Trailers - A. B. 1816, approved June 1, 1955, Chapter 836, adds Section 679.05 to the Vehicle Code, relating to the transportation of poles by public utility companies to exempt such companies from the requirements of Section 679.1 (establishing standards for vehicles carrying logs or poles) when such transportation is between storage yards and job locations where poles are to be used. No more than 9 poles may be transported on any dolly.

Mortgages - Recording - S. B. 529, approved July 5, 1955, Chapter 1603, amends Sections 2957, 2962, and 2965 of the Civil Code, relating to mortgages of personal property; prescribes a system of filing a certificate of recordation and provides for its effect as notice when mortgaged personal property is removed to another county.

Engineers - Licenses - S. B. 912, approved July 7, 1955, Chapter 1808, amends Sections 6712, 6762, 6775, 6795 and 6799 and adds Sections 6756, 67561, 6779 and 6778 to the Business and Professions Code relating to the certification of and standards for the licensing of professional engineers.

- S. B. 1207, approved May 23, 1955, Chapter 688, amends Sections 6751 and 6753 of the Business and Professions Code relating to qualifications of applicants for licenses as professional engineers.

Failed

Public Utilities Commission - S. B. 1912, died in Senate, and A. B. 3420, died in Assembly, would have amended Section 701 of the Public Utilities Code relating to the authority of the Public Utilities Commission to supervise and regulate public utilities.

- A. C. A. 29 and A. C. A. 30, both died in Assembly, would have proposed amendments to Section 22 Article XII of the Constitution relating to the powers and duties of the Public Utilities Commission and the election of its members.

Public Utilities - A. B. 3418, died in Assembly, would have amended Section 816 of the Public Utilities Code relating to the issuance of stocks and stock certificates by public utilities.

- A. B. 3419, died in Assembly, would have amended Section 791 of the Public Utilities Code relating to the location of the office, books and accounts of public utilities.

Public Utilities - Seizure - A. B. 2251, died in Assembly, would have added Part 4 to Division 1 of the Public Utilities Code, relating to the seizure of public utilities.

Public Utilities - Attorney General - A. B. 1086, died in Assembly, would have added Sections 12523 and 12524 to the Government Code, relating to the duties of the Attorney General with respect to public utilities.

Public Utility Districts - A. B. 1834, died in Assembly, would have amended Section 15503 of the Public Utilities Code relating to the definition of "districts".

Municipal Utility Districts - A. B. 2243, died in Assembly, would have amended Section 11826 of the Public Utilities Code relating to the nomination of directors of municipal utility districts.

- A. B. 2244, died in Assembly, would have amended Sections 11648 and 11830 of the Public Utilities Code relating to voting for directors of municipal utility districts.

- A. B. 2245, died in Assembly, would have amended Section 12893 of the Public Utilities Code relating to the payment of principal and interest on bonds of municipal utility districts.

- A. B. 2246, died in Assembly, would have amended Section 11582 of the Public Utilities Code, relating to the description of the boundaries of municipal utility districts.

- A. B. 2247, died in Assembly, would have amended Section 12809 of the Public Utilities Code, relating to rates and charges of municipal utility districts and the fixing of such rates and charges by the board.

- A. B. 2249, died in Assembly, would have added Section 12814 to the Public Utilities Code relating to municipal utility districts.

Utilities - Rights of Way - S. B. 959, died in Senate, would have added Section 118.5 to the Streets and Highway Code relating to the use of highway rights of way for public utility facilities.

Eminent Domain - S. B. 1644, died in Senate, would have amended Section 1238 of the Code of Civil Procedure relating to the exercise of powers of eminent domain and listing the purposes for which it may be used.

- S. C. A. 5, died in Senate, would have proposed to add Section 14.5 to Article 1 of the Constitution relating to eminent domain.

Uniform Commercial Code - A. B. 1385, died in Assembly, would have enacted the Uniform Commercial Code as Division Fifth of the Civil Code.

Nonprofit Corporations - A. B. 1997, died in Assembly, would have amended Section 9200 of the Corporations Code relating to the formation of non-profit corporations.

Telephone
Failed

Party Telephone Lines - Emergency Use - A.B. 3816, died in Assembly

1955 Idaho Legislation - Final Report
Session: January 3 to March 3(6), 1955

Legislative Program

Electrification

The Idaho State Association of Rural Electric Cooperatives has been interested in having the method of taxing the properties of electric cooperatives changed. In 1954, it submitted a recommendation to the Governor's Interim Tax Committee and State Tax Commission urging the introduction of legislation providing for a gross revenue tax in lieu of ad valorem taxes. No action was taken on this recommendation. (But see H. B. 334, below.)

Telephone

No legislative program was undertaken by REA borrowers in Idaho.

Legislation Considered

Electrification

Enacted

Electrical Standards and Inspection Procedure - H. B. 13, approved February 8, 1955, Chap. 28, amends Section 54-1001, Idaho Code by providing that electrical installations shall be in accord with the requirements of the National Electrical Code of 1953, and of revisions thereof as adopted by the Commissioner of Law Enforcement. Section 54-1005, Idaho Code, is amended to provide for the inspection of electrical installations and the establishment of a uniform fee schedule for such inspections.

Columbia River Interstate Compact - H. B. 313, approved March 15, 1955, Chap. 185, ratifies and approves the Columbia Interstate Compact relating to the division, apportionment and use of the waters of the Columbia River system (including use of water for hydroelectric power production). States participating in this compact are: Washington, Oregon, Montana, Wyoming, Nevada and Utah. Of these states, Nevada (Chap. 67) and Utah (Chap. 163) also approved the compact in 1955.

Libby Dam Project - S. J. Memorial 2, passed Senate January 29, 1955, passed House February 11, 1955, urges the Congress to authorize the Libby Dam on the Kootenai River and appropriate construction funds in order to make available additional hydroelectric generating capacity to relieve the power shortage in the region.

Failed

Utilities Assessment - S. B. 161, died in Senate, would have amended Sections 63-701, et seq. Idaho Code, relating to the assessment of public utilities by providing for the inclusion of a power company's generating plants in operating property assessable by the state tax commission and a change in the manner of assessment of such property.

Kilowatt-Hour Tax - H. B. 25 and H. B. 125, died in House, would have removed the exemption of industrial and commercial power users from the kilowatt-hour tax.

Use of Water-Power - S. B. 62 and S. B. 113, died in Senate; H. B. 79, died in House, would have provided that the use of water for domestic, irrigation, and agricultural purposes have preference over its use for manufacturing and power generation.

Blue Sky Law - S. B. 158, died in Senate, would have amended the Idaho Blue Sky law relating to the definition of investment companies and increasing fees to be paid by such companies. (The amendment would have made certain REA borrowers subject to the provisions of this act.)

Electrification and Telephone Enacted

Tax Structure - Study - H. B. 334, approved March 11, 1955, Chap. 136, creates the "Idaho Tax Structure Committee" which is authorized to make a study of State taxation. The act states that its purpose is to "analyze existing procedures of assessment of real, personal, intangible and public utility properties and recommend methods leading to uniformity and equity of assessments as between counties and classes of property." The committee is directed to submit its report along with recommendations for legislation to the Governor not later than October 15, 1956.

Public Utilities Commission - Fees - H. B. 258, approved March 15, 1955, Chap. 177, amends Title 61, Idaho Code, by adding a new chapter 10 providing for the financing of the activities of the Idaho Public Utilities Commission through the payment of annual fees by public utilities and motor carriers.

Non-Profit Corporations - H. B. 218, approved March 11, 1955, Chap. 104, amends Section 30-601, Idaho Code, relating to the filing of annual statements by corporations by providing that all non-profit corporations shall file an additional statement showing the annual salary or wages paid to all directors, officers, agents and employees.

- H. B. 208, approved March 12, 1955, Chap. 152, amends Section 67-911, Idaho Code, by increasing the filing fees which the Secretary of State charges non-profit corporations.

Minimum Wages - H. B. 164, approved March 14, 1955, Chap. 154, establishes a seventy-five cent per hour minimum wage in the State of Idaho.

Failed

Public Utilities Commission - S. B. 199, died in Senate, would have amended Title 61, Idaho Code, relating to regulation of public utilities by providing for replacement of the Public Utilities Commission with one public utilities commissioner.

1955 Montana Legislation - Final Report
Session: January 3 to March 3(5), 1955

Legislative Program

Electrification

No legislative program was undertaken by REA electrification borrowers.

Telephone

Legislation to amend the Rural Electric Cooperative Act to provide for the formation of rural telephone cooperatives was sponsored by REA telephone borrowers in the 1953 session of the Montana legislature. This bill, H. B. 223, introduced by Rep. Leo Graybill, failed to pass. At his request REA reviewed and suggested appropriate amendments to be incorporated in the bill if the decision was made to seek its enactment at the 1955 session. REA pointed out that the provisions of the existing cooperative associations act appeared to be adequate for the organization and operation of rural telephone cooperatives. In this connection it was suggested that amendments to this act might be sought if it had been found that any of its provisions were proving to be cumbersome to the rural telephone program. Rep. Graybill advised REA that there were objections to several of the provisions of the cooperative associations act. He submitted a draft of proposed amendments to this act requesting comments and recommendations. REA made several suggestions regarding the proposed language which were adopted. H. B. 246 (see below) was introduced and enacted.

Legislation Considered

Electrification

Enacted

Libby Dam - S. J. Mem. 12, approved February 26, 1955, requests the Congress of the United States to make funds available to initiate construction of the Libby Dam on the Kootenai River in Lincoln County, Montana. In the memorial it is pointed out that this dam will produce power and provide large amounts of reservoir storage which will be useful in firming-up power generated at dams on the Columbia River.

Yellowtail Dam - S. J. Mem. 3, approved February 26, 1955, requests the Congress of the United States to make sufficient funds available for the construction of Yellowtail Dam on the Big Horn River in Big Horn County, Montana. The dam is designed to provide for irrigation, hydroelectric power production, flood control, etc.

Failed

Electrical Installations - Standards - H. B. 244, died in Senate, would have authorized counties of the first, second and third class to establish minimum standards for the installation or use of electrical equipment. The bill would have permitted the board of county commissioners to establish standards which were to conform to the requirements of the National Electrical Code, National Electrical Safety Code or electrical provisions of other safety codes approved by the American Standards Association. The commissioners would have been

authorized to provide for the issuance of permits for electrical installations, inspection of same and to establish and collect reasonable fees therefore. The provisions of the bill would not have been applicable to "installations or use by electricity supply or communication agencies in the generation, transmission or distribution of electricity..."

Columbia River Interstate Compact - S. B. 96, died in House, would have ratified and approved the Columbia Interstate Compact relating to the division, apportionment and use of the waters of the Columbia River system (including use of water for hydroelectric power production). (The compact is to become effective when it has been ratified by the legislatures of the states of Idaho, Montana, Oregon and Washington and has been consented to and approved by the Congress of the United States. The compact was submitted to the legislatures of these states in 1955 and it was enacted in Idaho as Chap. 185, Laws of 1955; in Nevada, Chap. 67, Laws of 1955, and Utah, Chap. 163, Laws of 1955.)

Electrification and Telephone Enacted

Corporations - H. B. 32, approved and effective February 5, 1955, Chap. 13, amends Sections 15-205 and 15-206 of the Revised Codes of Montana, 1947, relating to the organization of stockholders meetings for the purpose of amending articles of incorporation, the number of stockholders to be present, the manner and number of stockholders voting and the preparation and filing of a certificate of proceedings, by providing for the participation and action by a majority (instead of 2/3) of the stockholders or members.

Failed

Public Utilities Commissioner - S. B. 204, died in Senate, would have provided for the creation of the office of Public Utilities Commissioner of Montana in place of the Public Service Commission and the Board of Railroad Commissioners. All powers and duties of these commissions would have been transferred to the Commissioner who would in addition have had the duty "to represent the patrons, users of the service, and consumers of the product, of any public utility, and the public generally in all controversies respecting rates, charges, valuations, service and all matters of which he has jurisdiction, and in respect thereof it shall be his duty to make use of the jurisdiction and powers of his office to protect said patrons, users and consumers, and the public generally, from unjust and unreasonable exactions and practices and to obtain for them adequate service at fair and reasonable rates."

Public Service Commission - H. B. 286, died in House, would have amended Section 70-106, Revised Codes of Montana, 1947, relating to the power of the Public Service Commission to ascertain the value of the property of every public utility for rate making purposes by providing that "the actual legitimate cost of the property...is to be considered as prima facie evidence of the fair value of such property."

Public Utilities - H. B. 287, died in House, would have required every public utility to file an annual statement with the State Board of Equalization showing the "value of all the property used and useful within the state valued for rate making purposes." The State Board of Equalization and county assessors would have been directed not to assess the property at a less value for taxation purposes than its value submitted for rate making purposes.

- S. B. 162, died in Senate, would have added Section 70-136 to the Revised Codes of Montana, 1947, to require the approval of the Public Service Commission of any contract entered into by one public utility for the purchase of the property or stock of another public utility.

Telephone
Enacted

Cooperative Associations Act - Amendments - H. B. 246, approved and effective March 15, 1955, Chap. 273, amends Sections 14-201, 14-203, 14-204, 14-206 and 14-208, Revised Codes of Montana, 1947, relating to incorporation of cooperative associations. Section 14-201 is amended by adding language providing that the statement of incorporation shall be filed in the office of the secretary of state as the articles of incorporation of the association. Section 14-203 relating to holding of the first meeting of the association is amended by deleting a reference to the articles of association in the last sentence dealing with the period of time for which directors shall be elected. Section 14-204 relating to filing of the certificate of incorporation is amended by adding provisions establishing procedure and voting requirements for amending the articles of incorporation and the filing of such amendments in the office of the secretary of state. Section 14-206 relating to the election of the board of directors and officers is amended to permit the bylaws to provide that the officers of the association may be elected either by the stockholders or by the board of directors. It also provides that only stockholders may be elected directors and only directors may be elected president or vice-president. Provision for dividing the territory in which the association has stockholders into districts and for the election of directors from such districts and language permitting the amendment of bylaws by a majority of stockholders voting thereon are added to this section. Section 14-208 relating to the assignment of stock is amended by providing that the consent of the board of directors, rather than the stockholders, be obtained for the assignment of stock to any person who already owns stock.

1955 Nevada Legislation - Final Report
Session: January 17 to March 17(25), 1955

Legislative Program

Electrification and Telephone

REA borrowers in Nevada did not have a legislative program.

Legislation Considered

Electrification

Enacted

Columbia Basin Interstate Compact - S. B. 88, approved March 7, 1955, Chap. 67, ratifies and approves the Columbia Basin Interstate Compact relating to the division, apportionment and use of the waters of the Columbia River and its tributaries and the determination of rights therein (including use of water for hydroelectric power production). States participating in this compact are: Idaho, Montana, Nevada, Oregon, Utah, Washington and Wyoming. (Legislation approving this compact was also enacted in 1955 in Idaho, Chap. 185, and in Utah, Chap. 163.)

- S. B. 168, approved March 7, 1955, Chap. 66, amends the 1951 act creating the Columbia Basin Interstate Compact Commission of the State of Nevada by deleting the provision terminating the Commission upon ratification of the compact by the Nevada legislature.

Atomic Energy Development - A. J. R. 12, approved March 15, 1955, Res. Chap. 24, memorializes Congress to expedite development of economic use of atomic energy and its application for utilization of Nevada's natural resources.

Failed

Overton Power District No. 5 - Declared a Public Utility - A. B. 346, died in House, would have declared Overton Power District No. 5 to be a public utility subject to regulations by the Public Service Commission.

Power Districts - Election of Directors - A. B. 308, died in House, would have amended Section 9 of the 1935 power district act dealing with the directors of power districts, by prohibiting the appointment of more than one director from any one town in the district.

Electric Equipment Standards - Inspection - S. B. 158, died in Senate, would have created an Electrical Administrative Board to establish standards for electrical equipment and installation; would have prohibited the installation of electrical equipment except on permit obtained from an electrical inspector, and would have provided for inspection of such installations.

Electricity - Safety - S. B. 176, passed Senate but died in House, would have amended Section 2806, N.C.L. 1929 as amended, to direct the Nevada Industrial Commission to promulgate and publish safety orders pertaining to electricity for the benefit of employees in establishments not within the jurisdiction of other departments.

Electrification and Telephone

Enacted

Public Service Commission - Procedures - S. B. 240, approved March 26, 1955, Chap. 250, amends Sections 10, 32, 33 and 36½ of the 1919 public utilities act (Sections 6109, 6132, 6133 and 6137, N.C.L. 1929) by advancing from March 15 to April 15 the date for filing reports; prescribing procedures for enjoining stay of Commission orders including the placing or keeping in effect of rates by filing bond, and providing for transferability of certificates of public convenience to a purchaser of all assets of a utility. (A. B. 42, companion bill, died in Senate.)

Failed

Nonprofit Cooperative Corporations - S. B. 157, passed Senate but died in House, would have amended Sections 2 and 3 of the 1921 nonprofit cooperative corporation act by prohibiting the issuance of capital stock; requiring that the business of such corporations be carried on not for profit; providing for perpetual existence, and prescribing the number of directors.

Public Service Commission - Employment of Experts - A. B. 385, died in House, would have added provisions to the 1919 public utilities act for the employment of experts by the Commission and the payment of one-half of all costs incurred in the investigation.

1955 Oregon Legislation -- Final Report
Session: January 10 to May 4, 1955

Legislative Program

Electrification and Telephone

REA borrowers in Oregon did not have a legislative program.

Legislation Considered

Electrification

Enacted

Electrical License Fees - S. B. 343, approved and effective May 25, 1955, Chap. 689, amends ORS 479.440, 694.020, 694.030, 694.090, 694.110, and 694.130, relating to the installation of electric wiring and equipment, licensing of electrical contractors, supervising electricians, journeymen electricians and dealers in electrical supplies, by providing for an increase in the license fees.

Tax Study Committee - Utilities - H. J. Res. 14, adopted May 2, 1955 filed in the office of the Secretary of State, May 31, 1955, provides for the creation of an Interim Tax Study Committee of eleven members to make a study of the tax structure of the state and on all existing and proposed sources of tax revenue. The committee is also directed "to make a detailed study and analysis of the present system, and to determine whether there is a preferable system, of state and local taxation of all electric utilities, peoples' utility districts, REA-financed power systems, other electric cooperative power systems and municipally owned electric utilities." The committee is to report its findings and recommendations to the next Legislature and implement its recommendations by drafting and submitting such bills and resolutions as it deems appropriate.

Hydroelectric Commission - H. B. 662, approved and effective May 24, 1955, Chap. 673, amends ORS 543.050, 543.230 and 543.999, relating to the Hydroelectric Commission of Oregon, by providing for the appointment and function of hearing examiners.

Columbia River Interstate Compact - S. J. Res. 28, adopted April 26, 1955, filed in the office of the Secretary of State, May 11, 1955, authorizing and directing the Interstate Cooperation Commission of Oregon "to further study and review the entire field of a compact between the states of the Columbia River Basin and to negotiate with duly authorized representatives of such other states relative to the above-mentioned compact either in its present form or with such modifications and amendments as to said commission may seem to be for the best interests of this state and of the region." (A draft of a compact was completed on December 29, 1954 and it was submitted to the Oregon Legislature for its approval as S. B. 126. Instead of approving this bill the Legislature substituted and passed S. J. Res. 28.

Note: This compact was submitted to other states in the Columbia River Basin and was approved by Idaho, Chap. 185 Laws 1955; Nevada, Chap. 67 Laws 1955, and Utah, Chap. 163. By its terms the compact becomes effective when it has been ratified by the legislatures of the states of Idaho, Montana, Oregon and Washington and has been consented to and approved by the Congress of the United States.)

Water Resources Board - H. B. 25, approved May 26, 1955, Chap. 707, creates and prescribes the functions of the State Water Resources Board. Section 1 of this Act states that the Legislative Assembly finds "that it is in the interest of the public welfare that a coordinated, integrated state water resources policy be formulated and means provided for its enforcement, that plans and programs for the development and enlargement of the water resources of this state be devised and promoted and that other activities designed to encourage, promote and secure the maximum beneficial use and control of such water resources and the development of additional water supplies be carried out by a single state agency which, in carrying out its functions, shall give proper and adequate consideration to the multiple aspects of the beneficial use and control of such water resources with an impartiality of interest except that designed to best protect and promote the public welfare generally." The Board replaces and takes over the duties and functions of The Willamette River Basin Commission, Upper Columbia River Basin Commission, State Reclamation Commission and State Irrigation Board.

Hydroelectric Projects - Pacific Northwest - H. J. Mem. 1, adopted January 20, 1955, filed in the office of the Secretary of State, January 25, 1955, urges the Congress to make adequate funds available for the completion on schedule of the Chief Joseph, McNary and the Dalles projects now under construction in order to supply the increasing power requirements of the Pacific Northwest.

- H. J. Mem. 2, adopted February 8, 1955, filed in the office of the Secretary of State, February 9, 1955, memorializes the Congress to appropriate funds to complete the preliminary planning and investigations for the John Day project and to indicate its intention to build this project with Federal funds, or enact enabling legislation to permit local agencies to advance funds, under appropriate arrangements with the United States, so that construction of the project can be initiated immediately. (H. J. Mem. 5, similar to H. J. Mem. 2, died in House. This memorial urged Federal construction of the project with no recommendation for local participation.)

- H. J. Mem. 3, adopted February 8, 1955, filed in the office of the Secretary of State, February 9, 1955, memorializes the Congress to make available funds to begin the planning and construction of the flood-control facilities needed at the Green Peter and Cougar projects, and at the same time authorize the licensing by the Federal Power Commission of hydroelectric installations to be financed and constructed by local agencies.

Failed

Gross Earnings Tax - Mutual or Cooperative Distribution Systems - H. B. 239, died in House, would have repealed ORS 308.805, 308.810, 308.815 and 308.820 which provides for a two percent gross earnings tax on mutual or cooperative electric distribution systems, which tax is in lieu of all other taxes on transmission and distribution lines of such systems.

State Power Commission - H. B. 468, died in House, would have created the State Power Commission which would have been authorized to develop, construct, maintain and operate hydroelectric power plants separately or in conjunction with other governmental bodies. The Power Commission would also have been authorized to build transmission and distribution lines to market electric power produced at such plants and in the sale of power the commission would have been directed to give preference and priority to municipalities, rural electrical cooperatives, people's utility districts and other public corporations.

Oregon Power Development Commission - H. B. 564, died in House, would have established the Oregon Power Development Commission which would have been authorized "(1) To generate electric energy from water power, fuel, nuclear fission or by any other means. (2) To purchase, exchange or otherwise acquire electric energy and stored and falling water for the purpose of generating electric energy. (3) To sell such electric energy at wholesale for resale or direct consumption, to public bodies, cooperatives, private agencies and persons and to furnish such electric energy on similar terms to other agencies of this state." In the sale of electric power the Commission would have been directed to give preference and priority to public bodies and cooperatives.

Hydroelectric Commissioner - S. J. Res. 10, died in Senate, would have requested the Governor in his capacity as Commissioner of Hydroelectric Power for the State of Oregon to inform the Legislature as to what action he has taken to collect data on the hydroelectric resources of the state and steps that he has taken to advise the Federal Power Commission of such findings and recommendations for hydroelectric projects.

Electrification and Telephone Enacted

Electric and Telephone Lines - H. B. 34, approved March 18, 1955, Chap. 123, amends ORS 758.010 relating to the right and privilege to construct, maintain and operate telegraph lines, telephone lines and lines and wires for conveying power or electricity over public roads and lands by requiring payments for forest products destroyed through the construction, operation and maintenance of such lines over state lands.

Failed

Electric and Telephone Lines - S. B. 305, died in Senate, would have required that written permission be obtained from county officials for the placement or relocation of telephone and telegraph lines and wires for the purpose of conveying electric power, and the fixtures necessary for the construction or maintenance of such lines or wires.

Public Utilities - Taxation - H. B. 201, died in House, would have provided for the imposition of a six percent tax on the gross operating revenue of public utilities including light and power and telephone businesses. The tax would have been in addition to all other taxes imposed by the state. The bill further provided for the repeal of ORS 308.805, 308.810, 308.815 and 308.820, which provides for a two percent gross earnings tax on mutual or cooperative electric distribution systems.

Public Utilities - Assessments - S. B. 69, died in Senate, would have amended ORS 308.505, relating to the assessment of utilities by the State Tax Commission by adding the definition of "true cash value" as defined in ORS 308.205 and also provided that the State Tax Commission may accept the value of utility property as used by the Public Utility Commissioner in regulating public utility rates.

Public Utility Commissioner - S. B. 83, died in Senate, would have amended ORS 756.020 and 756.030, relating to the office of Public Utility Commissioner by making that office elective.

- H. B. 300, died in House, would have required the Public Utility Commissioner to publish notices of public hearings to be held before him in the district affected by the operation of the utility involved in such hearing.

1955 Utah Legislation - Final Report
 Session: January 10 to March 10, 1955
 First Special Session: April 23, 1955

Legislative Program

Electrification and Telephone

REA borrowers in Utah did not have a legislative program.

Legislation Considered

Electrification

Enacted

Columbia River Interstate Compact - S. B. 135, enacted as Chap. 163, ratifies and approves the Columbia River Interstate Compact relating to the division, apportionment and use of the waters of the Columbia River system (including use of water for hydroelectric power production). States participating in this compact are: Washington, Oregon, Montana, Wyoming, Nevada and Idaho. (Legislation approving this compact was enacted in 1955 in Nevada, Chap. 67 and Idaho, Chap. 185.)

Colorado River Storage Project - S. Concurrent Res. 1, memorializes the Congress of the United States to authorize the Colorado River storage project including the Echo Park Dam and participating projects.

Failed

Electrical Wiring - Licensing and Inspection - S. B. 89, vetoed March 12, 1955, would have: (1) created an electrical advisory committee in the State Department of Registration; (2) provided for the licensing of electrical contractors and electricians and established a schedule of annual fees; (3) provided for the appointment of electrical inspectors and required electrical installations to conform to the provisions of electrical codes approved by the American Standards Association, etc. (H. B. 122, same as S. B. 89, died in House.)

Electrification and Telephone

Enacted

Engineers - Registration - H. B. 59, approved March 3, 1955, Chapter 118, provides for the regulation of engineering and land surveying through registration and certification of persons qualified as professional engineers and land surveyors. A Committee of Professional Engineers and Land Surveyors is established in the Department of Registration and provision is made for the holding of examinations and the issuance of licenses to qualified applicants. Chapter 10, Title 58, Utah Code Annotated, 1953 is repealed and the provisions of this act substituted. (S. B. 96, same as H. B. 59, died in Senate.)

Failed

Franchise and Privilege Taxes - H. B. 274, died in House, would have provided for the exemption from franchise and privilege taxes of certain non-profit corporations and established the requirements for such exemption.

1955 Washington Legislation - Final Report
 Session: January 10 to March 10, 1955
 First Special Session: March 11 to March 24, 1955

Legislative Program

Electrification

The Washington Rural Electric Cooperative Association supported legislation to repeal the present law establishing rules for electrical construction (see H. B. 174, below). This law has been in effect since 1913. The Association adopted a resolution favoring enactment of the National Electrical Safety Code in its place. The State Association also passed a resolution opposing ratification of the Columbia River Interstate Compact (see S. B. 208, below).

Telephone

No legislative program was undertaken by REA borrowers in Washington.

Legislation Considered

Electrification

Enacted

Washington State Power Commission - H. B. 658, approved and effective March 18, 1955, Chap. 258 amends Chap. 281, Laws of 1953, creating the Washington State Power Commission by revising the commission's power to construct or acquire hydroelectric generating facilities and permitting the formation of agencies for the construction and operation of generation and transmission facilities by cities or districts or combinations thereof. A number of new sections are added providing for the issuance and funding of revenue bonds by the Power Commission.

Public Utility Districts - Powers - S. B. 367, approved March 21, 1955 and effective June 9, 1955, Chap. 390 amends Section 54.16.040 RCW relating to the power of a public utility district to purchase and sell electric energy by providing that the district may supply to an instrumentality of the United States government any amount of electric energy or water under its control and may contract to sell same for any period of years and under such terms and conditions as it may elect.

- S. B. 225, approved March 14, 1955 and effective June 9, 1955, Chap. 124 amends Section 54.04.070 RCW relating to contracts for work or materials by providing that the district may have force account work performed using material of any value (previous limitation \$15,000). Section 54.12.080 is amended to increase compensation of district commissioners from \$10 to \$25 per day and providing that the total annual compensation shall not exceed \$2,500 and permitting a district to provide group insurance for its employees and commissioners.

Generating Facilities - Cities - S. B. 430, approved and effective March 17, 1955, Chap. 252, relates to the right of cities to own and operate electrical generating facilities in certain counties. H. B. 544, same as S. B. 430, died in House.

Failed

Columbia Interstate Compact - S. B. 208, died in Senate, would have ratified and approved the Columbia Interstate Compact relating to the division, apportionment and use of the waters of the Columbia River system (including use of water for hydroelectric power production). (The compact is to become effective when it has been ratified by the legislatures of the states of Idaho, Montana, Oregon and Washington and has been consented to and approved by the Congress of the United States. The compact was submitted to the legislatures of these states in 1955 and it was enacted in Idaho as Chap. 185, Laws of 1955, in Nevada as Chap. 67, Laws of 1955, and Utah as Chap. 163, Laws of 1955.)

Electrical Construction - H. B. 174, died in House, would have provided for the repeal of Chap. 130, Laws of 1913, as amended, establishing rules for electrical construction.

Electrical Installations - S. B. 81, died in Senate, and H. B. 91, died in House, would have amended and added to Chap. 19.28 RCW relating to installation of electrical wires and equipment; providing for issuance of permits and licenses, and prescribing the powers and duties of certain officials in connection therewith.

Public Utility Districts - Joint Operation - H. B. 359, died in House, would have amended Section 54.16.200 RCW relating to the joint exercise of power and joint acquisition of properties by two or more public utility districts by providing that such districts may form a joint commission for the purpose of constructing or acquiring utility properties or to develop additional sources of power supply.

- Generating Plants - S. B. 359, died in House, would have added a new section to 54.16 RCW relating to the acquisition of a generating plant through condemnation proceedings.

- Purchase of Utilities - S.B. 435, died in Senate, would have restricted the purchase by public utility districts of electric utilities of first class cities.

Electrical Resources Development - H. B. 121, died in House and S. B. 476, died in Senate, would have authorized municipal corporations to form operating agencies for the acquisition, construction and operation of generation and transmission facilities and prescribed the powers and duties of such agencies. The bill would also have created a Washington state power commission of five members to be appointed by the Governor and representing public utility districts, cities owning and operating generating facilities and the public at large. The commission would have been authorized to "represent the electric utilities of the State of Washington to the end that its water resources and other resources shall be properly developed for the best public interest, insofar as they affect electric power."

State Power Commission - H. B. 83, died in House, and S. B. 254, died in Senate, would have repealed Chap. 281, Laws of 1953 which created the Washington state power commission.

- S. B. 259, died in House, would have provided for the appropriation of funds to the state power commission for the purpose of paying the cost of engineering, financial, economic and legal studies deemed necessary for undertaking construction of the Priest Rapids hydroelectric project on the Columbia River.

- S. B. 260, died in House, would have appropriated funds to the state power commission for the purpose of paying the cost of engineering, financial, economic and legal studies determined to be necessary by the commission in the undertaking of construction of steam generating plants.

Taxation - Public Utility Districts - H. B. 207, died in House, would have amended Section 54.28.050 RCW relating to the apportionment of tax to taxing districts by providing that monies received by a county shall be "deposited in the county current expense fund and expended by regular appropriation for county purposes."

- S. B. 315, died in House, would have amended Section 54.28.020 RCW relating to the rate of tax imposed on districts by tripling same and providing that two-thirds of the taxes raised shall be used for support of the state common schools.

- S. B. 140, died in House, would have amended Section 54.28.010 RCW to strike out the definition of the term "distributes to consumers" and substituted a definition for the term "distributes" which would have been defined to mean "the delivery and sale of electric energy to customers other than a public utility engaged in the light and power business."

Taxation - Electricity - H. B. 716, died in House, and H. B. 11 (1st Special Session) died in House, would have added a new section to 82.12 RCW to extend use tax to electricity.

Assessments - Public Utility Districts - H. B. 516, died in House, would have amended Section 54.16.010 to 54.16.190 RCW relating to the powers of public utility districts by amending provisions concerning the appeal of public utility district assessments to the district court.

Motor Vehicle Licenses - Public Utility Districts - S. B. 312, died in House, would have amended Section 46.16.020, RCW by providing that "motor vehicles owned, rented or leased by public utilities and public utility districts or local improvement districts shall not be exempt from the payment of license fees for the licensing of said vehicles." The money received from these licenses was to be used for support of schools.

Eagle Gorge Dam - H. B. 66, died in House, would have provided for the appropriation of funds to permit the State of Washington to participate with the United States government and King County, Washington in the construction of the Eagle Gorge dam flood control project on the Green River.

Electrification and TelephoneEnacted

Public Service Commission - S. B. 230, approved March 4, 1955 and effective June 9, 1955, Chap. 79, amends Sections 80.04.040, 80.04.290, 81.04.040, 81.04.240, 81.04.290 and 81.80.320 relating to the powers and duties of the public service commission by increasing the fees and mileage paid to witnesses, providing for procedure in filing complaints against public service companies for recovery of overcharges and damages, etc.

Unclaimed Property Act - S. B. 311, approved March 22, 1955 and effective June 9, 1955, Chap. 385, enacts the Uniform Disposition of Unclaimed Property Act. The purpose of this act is to give custody of certain property to the state when the owner does not appear to be aware of its existence and cannot be located. Section 4 pertains to deposits and refunds held by utilities and provides that such funds which have been held for more than seven years after termination of service, in the case of deposits, or after it became payable, in the case of refunds, shall be presumed abandoned. "Utility" is defined to mean "any person who owns or operates within this state, for public use, any plant, equipment, property, franchise, or license for the transmission of communications or the production, storage, transmission, sale, delivery, or furnishing of electricity, water, steam or gas." Section 5 relates to undistributed dividends and distribution of business associations and provides that "any stock or other certificate of ownership, or any dividend, profit, distribution, interest, payment on principal, or other sum held or owing by a business association for or to a shareholder, certificate holder, member, bondholder, or other security holder, or a participating patron of a cooperative, who has not claimed it, or corresponded in writing with the business association concerning it, within seven years after the date prescribed for payment or delivery, is presumed abandoned." [Sections 9 and 13 amended by Chap. 11, Laws of

Failed

Public Service Commission - H. B. 653, died in House would have amended Section 43.53 RCW relating to the public service commission by adding two new sections restricting certain employment to officials or employees who sever their term of office or employment with the commission.

Utility Lines - County Roads - S. B. 336, died in House, would have amended Section 36.55.060 RCW relating to granting of franchises to utilities to construct or operate facilities along county roads by providing that, in cases where the removal or relocation of such facilities is required as a result of the operations of the state highway department, the cost of such removal or relocation shall be paid by the highway department.

Taxation - Utilities - H. B. 715, died in House, and H. B. 13 (1st Special Session), died in House, would have imposed a 5% sales tax on electric and telephone service.

Private Public Utility Corporations - Rates - H. B. 710, died in House, would have prohibited the use of inflationary valuations by private public utility corporations as a basis for rate making.

TelephoneEnacted

Telephone Service - S. B. 78, approved March 14, 1955 and effective June 9, 1955, Chap. 14, provides that any person who obtains telephone or telegraph service through the use of a false or fictitious name with the intent to defraud or to evade the provisions of any order of the Washington public service commission or of any tariff, rule or regulation lawfully filed with said commission, shall be guilty of a misdemeanor.



1955 Arizona Legislation - Final Report
Session: January 10 to April 3, 1955

Legislative Program

Electrification and Telephone

REA borrowers in Arizona did not have a legislative program.

Legislation Considered

Electrification

Enacted

Municipal Utilities - Eminent Domain - S. B. 197 approved March 18, 1955, Chap. 47, amends Article 6, Chapter 16, Arizona Code of 1939 by adding Section 16-604d providing for condemnation under eminent domain of the plant, system and business of public service corporations by cities or towns. (H. B. 258, same as S. B. 197, died in House.)

Failed

Municipal Utilities - H. C. R. 9, died in House, would have proposed an amendment to Section 2, Article 15 of the Constitution of Arizona to provide that municipal corporations be deemed public service corporations when furnishing utilities.

Water Project Authority - H. B. 63, died in House, would have created the Water Project Authority of Arizona and authorized construction by the Authority of the Glen-Bridge - Verde - Highline project for irrigation and generation of power and other beneficial uses of the Colorado River in central Arizona. The Authority would have had the power to build hydroelectric and steam generating plants, transmission lines, and facilities for the sale, use and distribution of electric power. In the sale of power preference would have been given to state agencies and "organizations not organized or doing business for profit."

Colorado River Compact - H. B. 109, died in House, would have provided for repealing ratification of the Colorado River Compact by the State of Arizona (Chapter 5, First Special Session, 1944).

- H. B. 110, died in House, would have repealed the ratification of the Colorado River contract with the Secretary of the Interior which had been approved on February 9, 1944 as Chapter 4, First Special Session, 1944.

Glen Canyon Dam - H. J. M. 7, died in House, would have recommended to the Congress of the United States that the proposed Glen Canyon dam to be located in Arizona not be included in the upper Colorado River storage project.

Electrification and Telephone

Failed

Public Utilities - Rates - H. B. 85, died in House, would have amended Article 2, Chapter 69, Arizona Code of 1939 by adding Section 69-246a providing that in submission of a request for a rate increase a public service corporation shall include its latest report to the tax commission which was used for the purpose of determining the assessed valuation of the corporation's property for taxation, and that such report be considered prima facie evidence of valuation.

- H. B. 261, died in House, would have amended Section 69-205, Arizona Code of 1939 relating to the filing of joint tariffs by public service corporations.

Public Utilities - Taxation - H. B. 86, died in House, would have required all public service corporations, other than municipal, to file with the tax commission copies of the latest reports on property valuation filed with the corporation commission or any other body having rate making jurisdiction, and would have "full cash value" for tax purposes determined thereby.

Telephone

Enacted

Telephone Party Lines - S. B. 37, approved February 26, 1955, Chapter 12, makes it a misdemeanor for any person using a party line telephone to refuse to surrender the use of the line upon request for the purpose of permitting the placing of an emergency call, and requires that notice of this law shall be placed in every telephone directory compiled or distributed 90 days after its effective date.

Failed

Fire Reports - Telephone - S. B. 158, died in Senate, would have added Section 16-2015 to the Arizona Code of 1939 to provide for the limitation of liability of persons authorized to report or aiding in the reporting of fires. (This bill is reported to have been introduced in behalf of local telephone companies having agreements with fire departments for transmitting reports of fires. It would have excused them from liability in any civil action for damages to property or persons caused by delay in reporting or failure to report a fire unless such delay or failure is the result of gross negligence.)

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First Special Session: October 24 to November 28, 1955

Second Special Session: November 28 - (still in session Dec. 5, 1955)

The legislature was called into the first special session to consider adoption of a new statutory code. The second special session was called to continue consideration of the new code and to amend the sales and use tax. Special sessions are limited in their consideration to subjects listed in the Governor's call. A final report of the action taken at the second special session will be made after it has adjourned.

1955 New Mexico Legislation - Final Report
Session: January 11 to March 12, 1955

Legislative Program

Electrification

Sierra Electric Cooperative, Inc. (N. Mex. 17) entered into an agreement with the City of Truth or Consequences to have the city operate its facilities. Question was raised concerning whether the city had legal authority to enter into such an agreement. At the request of State Senator William P. Cater, REA prepared drafts of legislation to: (a) provide specific authorization to the City of Truth or Consequences to enter into such an agreement, and (b) provide general authorization for any city or town to enter into such an agreement. (See S. B. 145, below)

Telephone

No legislative program was undertaken by REA borrowers in New Mexico.

Legislation Considered

Electrification

Enacted

Rural Electric Cooperatives - Operation by Municipalities - S. B. 145 approved March 20, 1955, Chap. 139, authorizes any municipality owning and operating facilities for the furnishing of electric energy to contract with a cooperative, nonprofit membership corporation organized under the Rural Electric Cooperative Act to operate and manage all or part of the electric system of such cooperative. The act provides that municipal funds shall not be expended for the operation and management of such system except such funds as are contracted to be reimbursed by the cooperative and that the municipality "shall not acquire any right, interest or equity in such Rural Electric Cooperative." (This bill was introduced by Senators William P. Cater and Fulton J. Fox. It was based in part on the draft of legislation furnished by REA -- see Legislative Program, above.)

Municipal Utilities - H. B. 95, approved and effective March 11, 1955, Chap. 101, amends Section 14-39-26, New Mexico Statutes Ann. 1953, relating to the revenue of municipal utilities for which bonds have been issued by providing for the transfer to the General Fund of any revenues in excess of 125 percent of the annual interest and sinking fund requirements.

New Mexico Interstate Stream Commission - S. B. 95, approved March 30, 1955, Chap. 266, authorizes the Interstate Stream Commission to acquire, manage and dispose of water rights and other property necessary for the construction of water development works which may include the generation of hydroelectric power.

Colorado River Storage Project - S. Mem. 4, approved February 3, 1955 and H. Res. 2, approved March 7, 1955, memorialize the Congress of the United States to enact legislation authorizing construction of the upper Colorado River Storage project. (S. J. Mem. 4, same as S. Mem. 4, died in Senate.)

Failed

Rural Electric Cooperative Act - "Rural Area" - Definition - H. B. 394, pocket vetoed April 1, 1955, would have amended Section 45-4-31, New Mexico Statutes, Ann. 1953, relating to the definition of "rural area" as contained in the Rural Electric Cooperative Act by providing that it shall mean any area not included within the boundaries of any incorporated city, town, or village having a population in excess of seven thousand five hundred (instead of five thousand) persons.

Municipal Utilities - H. B. 87, died in House, would have given municipal corporations the power to engage in public utility business, acquire existing public utility facilities, etc. (Note: existing law gives municipalities authority to engage in public utility business.)

State Corporation Commission - H. B. 137, died in House, would have provided for transfer of regulation of electric, gas and water utilities from the New Mexico public service commission to the state corporation commission. The bill would have specifically provided for the continued exemption of rural electric cooperatives from such jurisdiction.

Electrification and Telephone

Enacted

State Corporation Commission - Regulation of Utilities - S. B. 284, approved March 28, 1955, Chap. 265, amends and repeals various sections of Title 68 and 69, New Mexico Statutes Ann. 1953, by providing for the transfer of jurisdiction over electric, gas, telephone, water, and transportation utilities from the public service commission to the state corporation commission. The present exemption of rural electric cooperatives from regulation is continued in Section 68-3-3. The number of commissioners is increased from three to five. Section 68-6-2 relating to the requirement that public utilities shall furnish "adequate, efficient and reasonable service" is amended by the addition of subsection (b) which provides that the commission shall have the authority "after hearing upon its own motion or upon complaint," to require telephone utilities to interconnect their facilities and establish joint rates, tolls or charges for such service, etc. This act failed to become effective because of the rejection on September 20, 1955 of the constitutional amendment proposed by S. J. Res. 2 (see below).

Public Service Commission - Abolition - S. B. 283, approved March 28, 1955, Chap. 264, provides for the transfer to the state corporation commission of all powers, duties and functions of the New Mexico public service commission. This act to become effective upon the adoption of the constitutional amendment proposed by S. J. Res. 2 which was rejected on September 20, 1955 (see below).

State Corporation Commission - Constitutional Amendment - S. J. Res. 2, adopted March 11, 1955, would upon adoption, at the general election to be held November, 1956 or at any special election before then, amend Article XI of the Constitution of New Mexico by providing for the creation of the State Corporation Commission. The amendment provides that the legislature "shall define, regulate and control all public utilities" subject to such exceptions as may be provided by law with reference to utilities owned and operated "by political subdivisions of the state or by cooperatives, corporations or associations formed to furnish utility services to rural areas in cooperation with the United States of America." This constitutional amendment was rejected by the voters at the special election held on Tuesday, September 20, 1955 pursuant to Chap. 237, Laws of 1955---see below.

Constitutional Amendments - Election - S. B. 256, approved March 26, 1955, Chap. 237, provides that the constitutional amendments proposed by the 1955 session of the New Mexico legislature shall be voted on at a special election to be held on the third Tuesday in September, 1955 (September 20).

Failed

Public Service Commission - Regulation of Utilities - S. B. 282, died in Senate, would have placed the regulation of all utilities, electric, gas, telephone, water, transportation, etc. under the jurisdiction of the public service commission. The powers of the State Corporation Commission, to regulate telephone and telegraph companies and railroads, would have been transferred to the public service commission.

Corporation Commission - Regulation of Utilities - S. J. Res. 18, died in Senate, would have proposed an amendment to Article XI of the Constitution of New Mexico relating to the duties and functions of the State Corporation Commission to regulate public utilities. (H. J. Res. 16, same as S. J. Res. 18, died in House.)

- H. J. Res. 17, died in House, would have proposed an amendment to Article XI of the Constitution of New Mexico relating to the powers and duties of the State Corporation Commission by requiring that in public utility rate hearings the parties proposing rate changes shall bear the burden of proof as to the reasonableness of the new rates.

- S. J. Res. 21, died in Senate, would have proposed an amendment to Article XI of the Constitution of New Mexico relating to the powers and duties of the State Corporation Commission to regulate utilities by adding "water, gas, electric, or common carrier company" to the utilities subject to its jurisdiction.

Public Utilities Regulation - Constitutional Amendment - H. J. Res. 18, died in Senate, would have proposed an amendment to Article XI of the Constitution of New Mexico by providing that the legislature shall be "vested with the power and authority to define, regulate and control public utilities, including, but not limited to, telephone, telegraph, electric, gas and water utility service", through a single utility commission and may exempt municipal and rural utilities from regulation. (S. J. Res. 19, similar to H. J. Res. 18, died in Senate.)

Utilities - Supervision Fees - H. B. 173, died in House, would have amended Section 69-7-22, New Mexico Statutes Ann. 1953, by increasing the fee for inspection and supervision of utilities and carriers subject to the jurisdiction of the state corporation commission from $\frac{1}{4}$ to $\frac{1}{2}$ of 1 percent of gross receipts.

Engineers - Registration - H. B. 84, died in House, would have amended Sections 67-21-13 and 67-21-16, New Mexico Statutes Ann. 1953, relating to the requirements for registration of professional engineers and land surveyors.

Minimum Wages - H. B. 158, died in House, would have provided for the establishment of a 75 cents per hour minimum wage and the payment of overtime of "not less than time and one-half the employee's regular rate of pay after 48 hours of work in any one week."

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Special Session: September 26 to October 6, 1955

The New Mexico legislature was called into special session to consider legislation relating to public assistance and highways. Special sessions are limited in their consideration to subjects listed in the Governor's call. No legislation affecting the REA programs was noted.

1955 Texas Legislation - Final Report
Session: January 11 to June 7, 1955

Legislative Program

Electrification

The Texas Electric Cooperatives, Inc. did not sponsor a legislative program in 1955.

Telephone

Texas Telephone Cooperative Association, Inc. requested assistance in the drafting of legislation to revise Texas statutes dealing with interconnection of telephone facilities, rates and charges and division of tolls, and territorial conflicts. The proposed legislation would have clarified and strengthened the powers of commissioners courts to regulate telephone service. However, this legislation was not introduced.

Legislation Considered

Electrification and Telephone

Failed

Business Receipts Tax - H. B. 693, died in House, would have provided for the raising of revenue through the imposition of taxes on adjusted receipts. The bill would have placed a one mill tax "on the adjusted receipts of public utilities derived from or attributable to Texas sources." The term "public utilities" would have been defined to include rural electrification associations "to the extent of their receipts from the sale of electric energy and power."

Regulation of Utilities - Public Utilities Commission - H. B. 30, died in House, would have created the Public Utilities Commission of Texas and granted it the power to regulate electric, telephone and gas utilities. The definition of the term "utility" would have specifically excluded "consumers' cooperative societies or associations, or political subdivisions or municipal corporations or governmental authorities." (This bill is the same as H. B. 238 which failed to pass at the 1953 session of the Legislature.)

Regulation of Utilities - Board of Public Utility Commissioners -
S. B. 69, died in Senate, would have created the Board of Public Utility Commissioners of Texas and granted it the power and jurisdiction to supervise and regulate public utilities. The bill defined the term public utilities to include the electric, gas and communication industries and did not provide for the exemption of cooperative associations.

Telephone

Failed

Telephone Poles - Tax - H. B. 603, died in House, would have provided for the levy of an annual tax of fifty cents upon telephone poles erected and maintained by any individual, company, corporation or association owning, operating or managing or controlling any telephone line or charging for the same. The tax would have been applicable "only to telephone poles erected and maintained upon and within the right-of-way of the public roads and highways in this State."

Telephone Rates - S. B. 357, died in Senate, would have provided for the regulation of "telephone rates and services within and between adjacent or contiguous cities or towns of a certain population in counties of a certain population." The bill defined "adjacent or contiguous cities and towns" and would have required telephone companies to provide facilities and equipment necessary for intercity services.



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